

NATIONAL DAIRY MARKET NEWS AT A GLANCE**CME GROUP CASH MARKETS (1/29)**

**BUTTER:** Grade AA closed at \$2.2200. The weekly average for Grade AA is \$2.1950 (+.0512).

**CHEESE:** Barrels closed at \$1.4300 and 40# blocks at \$1.4600. The weekly average for barrels is \$1.4300 (-.0481) and blocks, \$1.4600 (-.0175).

**NONFAT DRY MILK:** Grade A closed at \$.7175. The weekly average for Grade A is \$.7130 (-.0133).

**BUTTER HIGHLIGHTS:** Butter churning is strong across the nation as cream supplies are readily available. Bulk butter output is clearing into cold storage. Prices for bulk butter are ranging from 4 cents under to 8 cents over the market, based on CME Group prices and various indices. In the East, the emergency of winter storm Jonas caused a slight drop in butter sales. At this point, the market undertone is uncertain. In the Central region, the butter market is steady to firm. Interest from retailers is even. In the West, domestic demand is good ahead of the upcoming spring holidays. Most butter processors are busy fulfilling Q1 commitments. The NASS Cold Storage report noted U.S. butter stocks on December 31 were 152.9 million pounds, 15% higher than last month and 46% higher a year ago. At the CME Group, Grade AA butter price on Friday closed at \$2.2200, up 5 cents from a week ago.

**CHEESE HIGHLIGHTS:** Cheese production is steady in the West and Midwest, but lower in the Northeast due to the impact of last weekend's massive snow storm, which hindered milk movements. Some milk from the East moved into Midwest cheese plants. Cheese inventories are growing in the West and Midwest. Some western cheese with age is harder to place. Overall awareness of future challenges in moving higher volumes of cheese production into markets, domestic and export, has become more pronounced. At the CME Group, barrels closed the week on Friday at \$1.4300, unchanged from last week's close and blocks closed at \$1.4600, also unchanged from last week's close.

**FLUID MILK:** In the Northeast and Mid-Atlantic regions, farm level milk production is slightly up. Bottling orders are mixed following the heavy demand prior to the winter storm Jonas. Milk hauling has been negatively impacted by the storm. In the Southeast, milk output is steady, but is moderately increasing in Florida. South Central milk production is trending higher. There is less milk in the area, due to the effects of winter storm Goliath. However, many plants

are once again receiving close-to-normal milk volumes for processing. In the North Central region, farm milk output is mixed along with steady advances in component levels. Comfortable temperatures for milking cows are helping to rise the milk yields in California, Arizona, New Mexico, Utah and Idaho. Pacific Northwest milk production is steady. Cream volumes are heavy throughout the country and are mostly clearing into butter churns. The NASS *Milk Production* report noted December milk production in the 23 selected states was 16.4 billion pounds, 0.7% above a year ago. Milk cows in the 23 selected states totaled 8.64 million head, 29,000 head more than a year ago.

**DRY PRODUCTS:** The market undertone is mixed for nonfat dry milk products. Interest is sluggish for some, but others are optimistic about future prices. Dry buttermilk production is active, in line with the butter output. However, in the East, drying schedules are steady to somewhat lighter, as the snow storm disrupted butter production. Dry whole milk spot sales have been light throughout the week. Dry whey production is stable and inventories are balanced. Spot load availability is light to moderate. Most business is moving through regular contracts. Inventories for WPC34% are a little tight as some processors have shifted some production to higher protein concentrations. Demand has picked up slightly. The interest for lactose is generally good and steady this week.

**ORGANIC DAIRY MARKET NEWS (DMN):** The U.S. weighted average advertised price of organic milk half gallons is \$4.33, up 34 cent from last year, and up 68 cents from last week. For 8 ounce cheese blocks, the average price is \$3.36, down 59 cents from last week. This week, 8 ounce cheese shreds averaged \$3.50, down 32 cents from a week ago. AMS reports total organic milk products sales for November 2015, 199 million pounds, were down 0.9% from November last year and down 2.3% year to date through November this year compared with last year. There has recently been increased production of organic nonfat dry milk by occasional manufacturers in the West which have not been manufacturing that product in recent months. Newly secured organic milk flows enable the manufacturing. Recent organic NDM pricing is near \$4.00/pound for regular continuing customers. A national organic dairy brand has informed some contracted organic producers in the Northeast that the current \$3.00 market adjustment premium will continue through June 30, 2016, yielding an organic pay price near \$40.00 in that region.

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NATIONAL RETAIL REPORT-DAIRY

**CME GROUP CASH TRADING**

COMMODITY	MONDAY JAN 25	TUESDAY JAN 26	WEDNESDAY JAN 27	THURSDAY JAN 28	FRIDAY JAN 29	:: WEEKLY CHANGE*	:: WEEKLY AVERAGE#
CHEESE							
BARRELS	\$1.4300 (N.C.)	\$1.4300 (N.C.)	\$1.4300 (N.C.)	\$1.4300 (N.C.)	\$1.4300 (N.C.)	:: (N.C.)	:: \$1.4300 (-.0481)
40# BLOCKS	\$1.4600 (N.C.)	\$1.4600 (N.C.)	\$1.4600 (N.C.)	\$1.4600 (N.C.)	\$1.4600 (N.C.)	:: (N.C.)	:: \$1.4600 (-.0175)
NONFAT DRY MILK							
GRADE A	\$.7050 (-.0050)	\$.7050 (N.C.)	\$.7175 (+.0125)	\$.7200 (+.0025)	\$.7175 (-.0025)	:: (+.0075)	:: \$.7130 (-.0133)
BUTTER							
GRADE AA	\$2.1650 (-.0050)	\$2.1900 (+.0250)	\$2.2000 (+.0100)	\$2.2000 (N.C.)	\$2.2200 (+.0200)	:: (+.0500)	:: \$2.1950 (+.0512)

CHEESE: carload = 40,000 lbs., BUTTER: carlot = 40,000-43,000 lbs. \*Sum of daily changes. # Weekly averages are simple averages of the daily closing prices for the calendar week.

Computed by Dairy Market News for international purposes. This data is available on the Internet at [WWW.AMS.USDAGOV/DAIRY](http://WWW.AMS.USDAGOV/DAIRY)

NATIONAL DAIRY MARKET NEWS AT A GLANCE**-CONTINUED FROM PAGE 1-**

**NATIONAL RETAIL REPORT-DAIRY (DMN):** For conventional dairy advertisements, shredded cheese in 8 ounce packages had the largest volume of ads, followed by 4-6 ounce containers of Greek yogurt and 8 ounce blocks of cheese. Advertisements for half gallons of milk, unflavored and flavored, had the largest percentage increase, 525% and 520% respectively. Ads for 1# packages of butter increased 212%, with an average weighted price of \$2.92. The total volume of conventional dairy ads decreased 1%, and organic dairy ads decreased by 11% this week. The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.20, down 13 cents from last week, and down 30 cents from a year ago; 8 ounce shred cheese averaged \$2.34, down 5 cents from last week, and 22 cents below one year ago. Organic 8 ounce blocks averaged \$3.36, while 8 ounce shred cheese averaged \$3.50. Advertisements for conventional cheese were up 32%, but organic cheese ads dropped 10% from last week. The average price for conventional yogurt in 4-6 ounce packages is \$.50, down 5 cents from last week, and down 2 cents from a year ago. The average price of 4-6 ounce conventional Greek yogurt is \$.92, down 5 cents from last week and 7 cents lower than a year ago. The average price of 4-6 ounce organic Greek yogurt was \$1.08. Conventional yogurt ad numbers decreased 15% from last week. Organic yogurt ads are down 55% from the previous week. The price spread between organic and conventional half gallon milk is \$2.99. The price spread is the difference between national weighted average prices for organic, \$4.33, and conventional, \$1.34. Conventional milk ads increased by 25% from last week, while organic ads increased by 14%.

**DECEMBER COLD STORAGE (NASS):** On December 31, U.S. cold storage holdings of butter totaled 152.9 million pounds, 15% above the previous month and 46% more than December 2014. Natural American cheese holdings total 700.7 million pounds, unchanged from the previous month and 12% more than December 2014. Total natural cheese stocks were 1.146 billion pounds, unchanged from last month but 13% more than December 2014.

**DECEMBER MILK PRODUCTION (NASS):** Milk production in the 23 major States during December totaled 16.4 billion pounds, up 0.7 percent from December 2014. Production per cow averaged 1,894 pounds for December, 6 pound above December 2014. This is the highest production per cow for the month of December since the 23 State series began in 2003. The number of milk cows was 8.64 million head, 29,000 head more than December 2014, and 1,000 more than November 2015.

**DECEMBER CONSUMER PRICE INDEX (BLS):** The December CPI for all food is 247.9, up 0.8% from 2014. The dairy products index is 220.8, down 3.9% from a year ago. The following are the December to December changes for selected products: fresh whole milk is -9.0%; cheese, -3.7%; and butter, -0.5%.

**NOVEMBER MILK SALES (FMO & CDFA):** During November 4.2 billion pounds of packaged fluid milk products is estimated to have been sold in the United States. This was 0.3 percent lower than November 2014. Estimated sales of total conventional fluid milk products decreased 0.2 percent from November 2014 and estimated sales of total organic fluid milk products decreased 0.9 percent from a year earlier.

**CME GROUP****MONDAY, JANUARY 25, 2016**

CHEESE -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE  
 NONFAT DRY MILK -- SALES: 10 CARS GRADE A: 1 @ \$0.7000, 3 @ \$0.7025, 3 @ \$0.7050, 1 @ \$0.7075, 1 @ \$0.7100, 1 @ \$0.7050; LAST BID UNFILLED: NONE;  
 LAST OFFER UNCOVERED: NONE  
 BUTTER -- SALES: 2 CARS GRADE AA: 1 @ \$2.1675, 1 @ \$2.1650; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE

**TUESDAY, JANUARY 26, 2016**

CHEESE -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE  
 NONFAT DRY MILK -- SALES: 6 CARS GRADE A @ \$0.7050; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE  
 BUTTER -- SALES: 4 CARS GRADE AA: 1 @ \$2.1675, 1 @ \$2.1800, 1 @ \$2.1750, 1 @ \$2.1900; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.1900; LAST OFFER UNCOVERED: NONE

**WEDNESDAY, JANUARY 27, 2016**

CHEESE -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE  
 NONFAT DRY MILK -- SALES: 2 CARS GRADE A: 1 @ \$0.7200, 1 @ \$0.7175; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.7175; LAST OFFER UNCOVERED: NONE  
 BUTTER -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.2000; LAST OFFER UNCOVERED: NONE

**THURSDAY, JANUARY 28, 2016**

CHEESE -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE  
 NONFAT DRY MILK -- SALES: 4 CARS GRADE A: 1 @ \$0.7125, 1 @ \$0.7150, 1 @ \$0.7175, 1 @ \$0.7200; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.7150; LAST OFFER UNCOVERED: NONE  
 BUTTER -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE

**FRIDAY, JANUARY 29, 2016**

CHEESE -- SALES: NONE; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.4300; 1 CAR 40# BLOCKS @ \$1.4600; LAST OFFER UNCOVERED: NONE  
 NONFAT DRY MILK -- SALES: 2 CARS GRADE A: 1 @ \$0.7125, 1 @ \$0.7175; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.7125; LAST OFFER UNCOVERED: NONE  
 BUTTER -- SALES: 7 CARS GRADE AA: 1 @ \$2.2200, 1 @ \$2.2300, 1 @ \$2.2325, 2 @ \$2.2400, 1 @ \$2.2200, 1 @ \$2.2000; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.2200; LAST OFFER UNCOVERED: NONE

**BUTTER MARKETS****NORTHEAST**

Northeast butter production is heavier for some, as churning surpasses demand. Cream supplies were readily available over the weekend into the early part of the week. This was relatively due to the winter snow storm, which increased Class I demand and immobilized cream distributions to cream user facilities in the region. Therefore, a few butter producers were able to take advantage of reasonable multiples in a very active cream spot market. As some in the market expected, retail butter purchases dropped slightly this week. Retailers are assessing their needs, following the impact of the winter snow storm. Manufacturers are moderately clearing 82% unsalted into international outlets. Bulk butter stocks for both salted and unsalted butter are building, with reports from sources of volumes channeling into freezer programs at an elevated rate. The current bulk butter price for domestic sales are reported flat to 8 over the CME Group price, with various time frames and averages used. The market undertone in the East is uncertain as butter producers look for things to return to normal following the winter snowstorm. According to the DMN *National Retail Report-Dairy*, during the week of January 22-28, 2015, the U.S. weighted average advertised price for 1 pound butter was \$3.20, down 12 cents from a year ago, and down 37 cents from the previous week. The weighted average butter price in the Northeast was \$3.25, down 40 cents a week ago. At the CME Group, Grade AA butter closed Tuesday at \$2.1900, up \$0.0575 from a week ago. COLD STORAGE: According to NASS, U.S. butter in storage on December 31, 2015 totaled 152.9 million pounds, 46% above a year ago and 15% more than last month.

**CENTRAL**

The Central butter market is steady to firm, although market participants find it difficult to reconcile the current prices and stocks on hand. Manufacturers indicate most orders for spring holiday coverage are two to three weeks out, but a few orders were placed in the last few days. Retail interest is steady and some recent features pushed end of the month sales on 1 pound packages. The DMN *National Dairy Retail Report-Dairy* for January 22-28 noted the national weighted average advertised price for a 1 pound package of butter was \$3.20, down \$0.37 from one week and \$0.12 from one year ago. The weighted average prices in the Midwest and South Central regions, respectively, are \$1.99 and \$3.26. At most plants in the Central region, butter production is active. Cream supply contracts are light to moderate for Class II usage as manufacturers finish sour cream and dip orders for Super Bowl-related shopping. Ice cream and ice cream mix production are steady, but manufacturers indicate the orders for summer-related sports activities have not started. Cream is available in the Central region, and butter plant managers also report they are receiving spot cream loads from outside the region. Although current demand is light to moderate, churners are actually looking 6-9 months ahead as far as building inventories before the heavy Class II cream usage months. Bulk butter is clearing into storage. The NASS *Cold Storage* report noted U.S. butter stocks on December 31 were 152.9 million pounds, 15% higher than last month and 46% higher a year ago. Bulk butter prices are steady, ranging from 4 cents under to 7 cents over the market, based on CME Group prices and various indices. The CME Group Grade AA butter market closed Wednesday at \$2.2000, up 6.750 cents from last Wednesday.

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**NATIONAL DAIRY PRODUCTS SALES REPORT**  
**U.S. AVERAGES AND TOTAL POUNDS**

<u>WEEK ENDING</u>	BUTTER	CHEESE 40# BLOCKS	CHEESE BARRELS 38% MOISTURE	DRY WHEY	NDM
January 23, 2016	2,1117 4,842,308	1,4997 13,321,963	1,5626 10,403,831	2,352 6,896,757	7,689 13,998,323

Further data and revisions may be found on the internet at: <http://www.ams.usda.gov/rules-regulations/mmr/dmr>

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## WEST

Butter makers say cream supplies are fairly well balanced. Although additional spot loads of cream are available, many processors are content to use the cream they have rather than seek out additional loads. Western butter production is active. Most processors are busy fulfilling Q1 commitments. Manufacturers report domestic demand has been decent ahead of the upcoming spring holidays. Inventories are building, but manufacturers are not overly concerned and feel they are manageable. The new grading standards announced last week by the American Butter Institute will take effect at the CME Group next week. Sellers may be able to provide a Certificate of Analysis as an acceptable document for loads of butter traded on that exchange. The DMN *National Retail Report-Dairy* for the week of January 22-28 found that the U.S. weighted average advertised price of 1 pound butter is \$3.20, down \$.37 from last week, and down \$.12 from one year ago. In the Southwest, the weighted average advertised price of 1 pound butter was \$2.99. In the Northwest the weighted average advertised price of 1 pound butter was \$3.36, with a price range of \$2.99-\$3.99. The NASS *Cold Storage* report noted U.S. butter stocks as of December 31, 2015, were 152.9 million pounds, up 15% from last month. Butter stocks in all warehouses were 104.7 million pounds last year at this time. Bulk butter pricing in the West this week is 4 cents under market to 2 cents above, based on the CME Group with various time frames and averages used. The Grade AA butter price at the CME Group on Wednesday closed at \$2.2000, up \$.0675 from a week ago.

## CHEESE MARKETS

## NORTHEAST

The winter snow storm Jonas, which blanketed areas of the Northeast, hindered the movement of milk supplies to several area cheese plants. Consequently, limited production moved into and out of distributors' warehouses. Retail sales and food service orders were slowed by the snow storm as conditions continue to make deliveries to stores and restaurants difficult. With prices shifting lower this week, the market undertone remains unsettled. Wholesale cheese prices for blocks and barrels retreated after three weeks of continuous increases. In the Northeast, prices for cheddar and Muenster declined, \$0.0100, while processed cheese prices declined \$0.0475. Grade A Swiss prices are steady. According to the DMN National Retail Report-Dairy, for January 22-28, 2016, the Northeast weighted average advertised price for 8 oz. cheese blocks was \$2.33, equivalent to the national average, and unchanged from the previous week. The Southeast 8 oz. block cheese price was \$2.81, 38 cents more than the previous week. Tuesday's CME Group daily cash prices saw barrels close at \$1.4300, down \$0.0675 from a week ago; blocks closed at \$1.4600, down \$0.0400 from a week ago.

**COLD STORAGE:** According to NASS, U.S. stocks of total natural cheese as of December 31, 2015 totaled 1.146 billion pounds, 13% more than a year ago, but unchanged from the previous month. Swiss cheese totaled 24.6 million pounds, 16% more than a year ago and 8% above last month.

WHOLESALE SELLING PRICES: DELIVERED,  
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Cheddar 40# Block	:	1.8925-2.1775
Process 5# Sliced	:	1.6750-2.1550
Muenster	:	1.9125-2.2625
Grade A Swiss Cuts 10 - 14#	:	3.1700-3.4925

## MIDWEST

The impact on cheese sales increases attributed to the Super Bowl is a discussion topic which seems to have stretched over several months. In reality most orders for retail or food service/frozen pizza cheese that will be consumed before or during the event have been filled. Cheese manufacturers are now looking forward into spring. Current Midwest milk supplies used for cheese are less impacted by extra spot milk this week than several weeks ago, but there are pockets where this remains a factor. Some milk from the East has been shipped around eastern portions of the Midwest. In western regions of the Midwest, milk used for manufacturing cheese is primarily from regular milk supplies. Some Midwest cheese manufactured for sales to eastern customers was not sold/shipped as a result of the substantial snowstorms over the weekend. This resulted in some increase in manufacturer inventories. Many manufacturers are now focused on fundamentals of supply looking forward. Strong domestic milk production seems to be a likely reality in coming months. Midwest weather quickly bounced back from a cold spell and now looks to remain mild in coming weeks, which will keep the milk flowing. The same is true in the EU. The outcome will be continuing strong cheese production on both continents. That will also maintain greater competition in cheese export markets. Growing inventories are a resulting reality more manufacturers expect to have to deal with. The two most significant questions are whether domestic cheese demand will remain strong; and whether expanded cheese exports will materialize in a world with much cheese export competition. Cheese pricing may be under pressure in coming

months depending on these variables. The DMN *National Retail Report-Dairy* shows that January 22-28 Midwest ads for 8 ounce shred cheese have a weighted average advertised price of \$2.23, 16 cents lower than the national average. Midwest prices range from \$1.77-\$2.99. One year ago, the national price was \$2.56. For 8 ounce blocks, the Midwest average price is \$1.96, 37 cents below the national average price. Midwest ads are priced from \$1.77-\$2.50. Last year, the national price was \$2.50. Midwestern wholesale prices are unchanged for Swiss cuts, but down \$.0475 for process and down \$.0100 for all other types. NASS reports that December 31, 2015 East North Central region (Wisconsin, Illinois, Michigan, Indiana and Ohio) American cheese stocks were 123% of December 31, 2014, and 102% of November 30, 2015. East North Central region other cheese stocks were 115% of December 31, 2014, but 99% of November 30, 2015. Total U.S. natural cheese stocks on December 31, 2015, 1.146 billion pounds, were 113% of December 31, 2014 and even with November 30, 2015. In CME Group trading Wednesday, barrels closed at \$1.4300, down \$.0650 from last Wednesday and blocks closed at \$1.4600, down \$.0200.

WISCONSIN WHOLESALE SELLING PRICES: DELIVERED,  
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Process American 5# Loaf	:	1.5750-1.9350
Brick And/Or Muenster 5#	:	1.8550-2.2800
Cheddar 40# Block	:	1.5825-1.9775
Monterey Jack 10#	:	1.8300-2.0350
Blue 5#	:	2.1225-3.1100
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.6550-2.5950
Grade A Swiss Cuts 6 - 9#	:	2.6875-2.8050

## WEST

Western cheese production is steady. Manufacturers say there is enough milk to meet their processing needs, but additional loads of milk are not as readily available as they were over the winter holidays. Cheese stocks have grown, albeit slower than in some other regions. Inventories of barrels continue to be heavy and blocks are long. Industry contacts say cheese with some age is definitely long and harder to place. However, a few manufacturers report a little tightness for fresh cheese supplies. Domestic retail cheese demand is steady to slightly lower. The DMN *National Retail Report-Dairy* for the week of January 22-28 shows the U.S. weighted average advertised retail price for an 8 ounce pack of natural shredded cheese is \$2.39, down \$.12 from last week, and down \$.17 from a year ago. Packs averaged \$1.90 in the Southwest and \$2.24 in the Northwest. For 8 ounce blocks, the U.S. price is \$2.33, down \$.02 from last week, and down \$.17 from a year ago. Blocks averaged \$2.03 in the Southwest and \$2.44 in the Northwest this week. In the West, wholesale prices are down \$.0475 for process, and down \$.0100 for cheddar block, cuts, and Monterey jack. Prices are unchanged for Swiss cuts. This week, a cooperative export assistance program accepted requests for 921,532 pounds of cheese. According to the NASS *Cold Storage* report, U.S. stocks of cheese (total natural) at the end of December 2015 were 1.145 billion pounds, unchanged from November 2015, but up 13% from December 2014. American stocks were 12% more, other natural stocks were 14% more, and Swiss stocks were 16% more than last year. In the Mountain Region, American cheese stocks were 12% more than one year earlier, but 4% less than one month earlier. Pacific Region American cheese stocks were 2% more than one year earlier and 1% more than the previous

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## CHEESE MARKETS

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month. Also in the Pacific Region, other natural cheese stocks were 25% above a year ago and 1% above a month ago. In CME Group trading Wednesday, barrels closed at \$1.4300, down \$.0650 from a week ago and blocks closed at \$1.4600, down \$.0200.

WHOLESALE SELLING PRICES: DELIVERED, DOLLARS PER POUND  
(1000 - 5000 POUNDS MIXED LOTS)

Process 5# Loaf	:	1.5900-1.8475
Cheddar 40# Block	:	1.5875-2.0325
Cheddar 10# Cuts	:	1.7675-1.9875
Monterey Jack 10#	:	1.7775-1.9375
Grade A Swiss Cuts 6 - 9#	:	2.7475-3.1775

WEEKLY COLD STORAGE HOLDINGS - SELECTED STORAGE CENTERS  
IN THOUSAND POUNDS - INCLUDING GOVERNMENT STOCKS

BUTTER : CHEESE

	:	
01/25/16	:	13,806 : 91,278
01/01/16	:	7,658 : 93,970
CHANGE	:	6,148 : -2,692
% CHANGE	:	80 : -3

## FOREIGN

Imported cheese and domestic foreign type cheese supplies are readily available. Milk production in the U.S. and Europe is projected to remain strong. This leads to expectations of continuing high cheese production, resulting in wholesale buyers being increasingly being careful not to finalize purchases too far forward, in the event that prices weaken and a lower cost basis becomes reality in coming months. During the period January through November 2015, the U.S. led as the country with the largest import volumes of cheese manufactured in the EU, with import volumes 17% higher than the same period of 2014. Second, with less than one half the volume of EU cheese imports as the U.S., was Japan, where volumes were 50% above year earlier volumes. Third is Switzerland, with 2015 imports of EU cheese being 2% over 2014. In the U.S., Domestic Swiss prices are unchanged and the remaining domestic foreign type cheese prices adjusted down \$0.0100.

WHOLESALE SELLING PRICES: FOB DISTRIBUTORS DOCK  
DOLLARS PER POUND (1000 - 5000 POUNDS, MIXED LOTS)

	:	NEW YORK	
VARIETY	:	IMPORTED	DOMESTIC
	:		
Blue	:	2.6400-5.3800	2.0500-3.5375*
Gorgonzola	:	3.6900-5.8900	2.5575-3.2550*
Parmesan (Italy)	:	-0-	3.4400-5.5300*
Provolone (Italy)	:	-0-	2.0925-2.3450*
Romano (Cows Milk)	:	-0-	3.2400-5.3900*
Sardo Romano (Argentina)	:	2.8500-4.9300	-0-
Reggianito (Argentina)	:	3.2900-4.9300	-0-
Jarlsberg-(Brand)	:	2.9500-6.4500	-0-
Swiss Cuts Switzerland	:	-0-	3.2075-3.5300
Swiss Cuts Finnish	:	2.6700-2.9300	-0-

\* = Price change.



## FLUID MILK AND CREAM

## EAST

## SPOT SHIPMENTS OF GRADE A MILK INTO OR OUT OF FLORIDA &amp; SOUTHEASTERN STATES

	THIS WEEK		LAST WEEK		LAST YEAR	
	IN	OUT	IN	OUT	IN	OUT
FLORIDA	0	40	0	0	25	0
SOUTHEAST STATES	0	0	0	0	0	0

As it stands, areas of the Eastern region are slowly recovering from the impact of the snow storm Jonas. The storm dropped 24-40 inches of snow in areas from the Gulf Coast to New England. For some haulers it was the worst they'd ever seen. Some milk distribution routes were so treacherous that driving was banned. The biggest challenge was closure of turnpikes and bridges that limited ability to distribute to customers located within cities. There are reports of hauler accidents, but no spilled milk involved. Missed pickups by haulers are being evaluated as milk handlers look for things to soon return to normal. In the Northeast and Mid-Atlantic regions, milk production is up slightly. Bottling orders are mixed following the heavy demand prior to the storm. Deliveries that were delayed over the weekend are being filled. Otherwise, bottling cuts have occurred this week, due to limited delivery routes caused by snow storm clean-up activity. Balancing milk supplies are moderate to heavy. The Southeast's milk output is mostly steady. Some handlers are still digging out from the snow storm. Class I add-ons are being cut as shipments to some bottling facilities remain difficult. Thus, milk loads are being shifted to auxiliary manufacturing outlets. In Florida, milk production is moderately increasing. Sales are currently flat, but sources expect to see a slight uptick during next week. Export shipments of milk moved higher. Sources have reported 40 f.o.b. spot loads moving out of the state this week, compared to 25 loads last week. According to the *DMN National Retail Report-Dairy*, for January 22-28, 2016, the U.S. weighted average advertised price for a gallon of milk was \$2.75, a 65 cent decline compared to a year ago, but up 13 cents from last week.

**MILK PRODUCTION:** According to NASS, milk production in the 23 major states during December 2015 totaled 16.4 billion pounds, up 0.7% from one year ago. Eastern states' milk production are as follows:

**December 2015 Milk Production, (USDA-NASS)**

	(Million Lb.)	% Change From 1 Year Ago
Florida	211	+ 1.4
New York	1,203	+ 3.5
Pennsylvania	904	...
Vermont	226	+ 0.4
Virginia	147	- 3.3

FLUID CREAM AND CONDENSED SKIM PRICES IN TANKLOT QUANTITIES:  
SPOT PRICES OF CLASS II CREAM, DOLLARS PER LB. BUTTERFAT:

F.O.B. producing plants: Northeast - 2.3582-2.6798

F.O.B. producing plants: Upper Midwest - 2.5297-2.6798

PRICES OF CONDENSED SKIM, DOLLARS PER LB. SOLIDS, F.O.B. PRODUCING PLANTS:

Northeast - Class II - includes monthly formula prices - .68-.83

Northeast - Class III - spot prices - .49-.59

## MIDWEST

South Central milk production is trending gradually higher at conventional operations as the calendar advances and weather conditions improve. Although there is less milk in the area, because of recent dairy cow losses, many plants are once again receiving close-to-normal milk volumes for processing. Milk marketers report the widespread cooperation within the area by handlers and processors during this period of adjustment has been crucial to helping dairy operations and manufacturers remain active. In the North Central region, farm milk intakes are mixed. Some operations following grass-fed protocols have synchronized the dry cow period, and thus, are shipping little to no milk. Conventional operations report milk is trending higher along with steady advances in component levels. Some Central cheese plant operators reported they've lost some pizza cheese sales recently due to sluggish demand along the East coast. This is related to the recent snowstorm in the east, as residents were encouraged to stay off the roads. At this point, the interest of these cheese plant operators in spot milk volumes is limited to loads carrying below Class pricing. Other Class III operators indicate cheese demand for specialty cheese is steady. At the beginning of the week, milk volumes available outside of contracts were limited. However, some plant maintenance projects and a breakdown freed up milk volumes during the week. Prices on spot loads of milk range from \$2.50 under to \$.50 over Class. Bottling demand is unchanged. Sales into Class II operations are active as this week represents the last production runs for orders of dips/sour cream-type products prior to the Super Bowl. The range of multiples for Central region Class II cream narrowed, 1.18-1.25. The *NASS Milk Production* report noted December milk production in the 23 selected states was 16.4 billion pounds, 0.7% above a year ago. Milk cows in the 23 selected states totaled 8.64 million head, 29,000 head more than a year ago. The following table shows Central states included in the report and the changes compared to a year ago:

**December 2015 Milk Production, (USDA-NASS)**

	(Million Lb.)	% Change From 1 Year Ago
Illinois	162	+ 2.5
Indiana	348	+ 3.6
Iowa	411	+ 2.0
Kansas	263	- 1.5
Michigan	876	+ 4.8
Minnesota	807	+ 2.9
Ohio	458	...
South Dakota	209	+ 13.0
Texas	853	- 3.0
Wisconsin	2,477	+ 4.8

## WEST

Milk output is steady to higher in California. Some rain showers were present during the last weekend, but milk production was marginally affected. At this point of the season, the weather conditions are favorable to dairy herds. Manufacturing milk volumes are sufficient, but lower than a year ago. Bottled milk demands from grocery stores and food service are steady to higher. Interest for Class 2 is even.

-CONTINUED ON PAGE 4A-

## FLUID MILK AND CREAM

## -CONTINUED FROM PAGE 4-

According to California Department of Food and Agriculture, December 2015 pool receipts of milk in the state total 3.24 billion pounds. This is 3.6% lower compared to the same month a year ago. From January through December 2015, receipts are 4.3% lower from the comparable period in 2014. The Value at Test price is \$15.40, \$1.19 lower than the previous month and \$2.42 lower from a year ago. The percentage of receipts used in Class 1 products is 14.36%. The December quota price is \$15.55 and the over quota price is \$13.85. These prices are \$1.21 lower than November 2015 and \$2.67 below a year ago. Comfortable temperatures for milking cows are helping to rise the milk yields in Arizona. In addition, fair/good feed is readily available. Manufacturing milk volumes moving into processing plants are stepping higher. Sales into bottling plants are flat as the pipeline for K-12 schools is full. Condensed skim volumes moving into NDM dryers are steady to higher. Throughout the week, the climate has been advantageous for dairy herds in New Mexico. As a result, farm level milk output is higher than last week, but below December 2015. Manufacturing milk volumes continue to be tight in some balancing plants. Sales into Class I are steady, but higher into Class II. Sales into Class III are flat. According to the *DMN National Retail Report-Dairy* for the week of January 22-28, the national weighted average advertised price for one gallon of milk is \$2.75 and \$2.42 in the Southwest. Pacific Northwest milk production is steady. Manufacturers say they have yet to see any significant increase in milk intakes. Additional loads of milk are not as readily available as they were over the winter holidays. A few loads of milk have been diverted to backfill into other parts of the western region. Bottling demand is following normal seasonal trends. Utah and Idaho milk production are steady to slightly higher. Relatively mild winter temperatures are aiding in cow comfort. There is plenty of milk to meet processing needs. Cream supplies are readily available in the West. Cream volumes continue to be clear into butter churns as regional demand for butter is inching up. In addition, some cream supplies have been used to make ice cream, cream cheese and sour cream. Multiples for all classes are steady, ranging from .98 to 1.16. At the CME Group, Grade AA butter price on Wednesday closed at \$2.2000, up 6.75 cents from a week ago. According to NASS, December milk production for the 23 surveyed states totals 16.4 billion pounds, 0.7% higher than a year ago. Monthly milk production per cow is 6 pounds above December 2014. Milk cows totaled 8.640 million head, 29,000 head more than a year ago. The following table shows Western states included in the report and the changes compared to a year ago:

**December 2015 Milk Production, (USDA-NASS)**

	(Million Lb.)	% Change From 1 Year Ago
Arizona	390	- 2.3
California	3,366	- 3.0
Colorado	315	+ 2.6
Idaho	1,168	+ 1.1
New Mexico	624	- 6.2
Oregon	213	+ 2.9
Utah	183	- 1.6
Washington	548	+ 0.4



## NONFAT DRY MILK, BUTTERMILK &amp; WHOLE MILK

Prices represent carlot/trucklot quantities for domestic and export sales packaged in 25 kg. or 50 lb. bags, or totes, spray process, dollars per pound.

## NONFAT DRY MILK - CENTRAL AND EAST

**CENTRAL:** The Central low/medium heat nonfat dry milk market is mixed. Early in the week, prices were steady to lower, but midweek prices rallied somewhat. On the strength of midweek changes to the futures, some brokers and traders pulled back offers to customers as they take time to reevaluate near and midterm price trends. Manufacturers report interest is sluggish. Buyers have multiple sourcing options and they are willing to compare offers, as necessary, before committing to purchases. Low/medium NDM production is active throughout the region, but generally below full capacity. Low/medium heat nonfat dry milk inventories are building incrementally. Central high heat NDM prices are unchanged to higher on light interest. End users generally have contracts for needed Q1 inputs, but there is some f.o.b. spot interest geared toward the upcoming holiday baking season. Production is limited and scheduled around the low/medium heat drying schedule. Inventories are generally tight.

**EAST:** Nonfat dry milk prices in the East are higher in the range, but steady in the mostly series. F.O.B. spot prices begin the week steady but strengthened following midweek buyer/seller negotiations. Lighter milk receipts moving into butter and powder plants over the weekend and into the first of the week lowered East region low/medium nonfat dry milk production. Manufacturers' receiving calls from buyers, note that interest primarily entails near-term needs, as those buyers looked to capitalize on lower pricing. Overall, interest is light. Stocks of low/medium are moderate to heavy and expected to build. The market undertone is unsettled. High heat NDM prices are steady to higher in light trading. Production is typically scheduled around customer needs.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A  
LOW/MEDIUM HEAT: .7600 - .8750 MOSTLY: .8000 - .8300  
HIGH HEAT: .9150 - 1.1500

## NONFAT DRY MILK - WEST

Prices for low/medium heat nonfat dry milk (NDM) are mixed. The market undertone continues to be unsettled. According to some brokers, their NDM holdings are above immediate needs. In addition, some resellers are receiving unsolicited offers at discount prices. On the other hand, some industry participants feel optimistic about NDM futures, anticipating higher prices in the near future. Trade activity in the spot market has been moderate throughout the week. NDM demand from dry mix manufacturers is active. Drying schedules are active as condensed skim volumes continue clearing into balancing plants. Inventories are mixed. Prices for high heat nonfat dry milk are mixed. The market undertone continues to be unsettled. Sales in the spot market are sporadic. Production has been driven by contractual needs. Inventories are unchanged.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A  
LOW/MEDIUM HEAT: .6500 - .8300 MOSTLY: .7000 - .7700  
HIGH HEAT: .8250 - 1.1000

## CALIFORNIA MANUFACTURING PLANTS - NDM

WEEK ENDING	PRICE	TOTAL SALES
January 22	\$.7960	9,971,724
January 15	\$.8054	5,831,541

Prices are weighted averages for Extra Grade and Grade A Nonfat Dry Milk, f.o.b. California manufacturing plants. Prices for both periods were influenced by effects of long-term contract sales. Compiled by Dairy Marketing Branch, California Department of Food and Agriculture.

## DRY BUTTERMILK - CENTRAL AND EAST

**CENTRAL:** Dry buttermilk prices in the Central region are unchanged on a lightly tested market. Manufacturers indicate dry buttermilk production is active, mirroring that of butter production. The late winter/early spring outlet of condensed buttermilk has yet to truly develop for the ice cream/ice cream mix production year. Dry buttermilk inventories are building.

**EAST:** Dry buttermilk prices are unchanged from the previous week. Drying schedules are steady to somewhat lighter, as the snow storm that hit the region disrupted butter production for some. Manufacturers in the region are comfortable with steady to building inventory levels. Buyer interest in the spot market is sluggish this week. Some are weighing whether or not to secure dry buttermilk loads at the existing price level against the potential of price declines. The market undertone is steady.

F.O.B. CENTRAL/EAST: .7800 - .8600

## DRY BUTTERMILK - WEST

Dry buttermilk prices are steady. Demands from bakers and ice cream manufacturers are moderate. Spot sales have been slow throughout the week. However, some industry participants anticipate an increase in sales, in the short term, as the spring holiday baking season approaches. Production is active as heavy cream volumes continue to clear into western churns. Inventories are steady to building.

F.O.B. WEST: .8000 - .8700 MOSTLY: .8200 - .8400

## DRY WHOLE MILK - NATIONAL

Prices for dry whole milk are lower to steady. Some spot sales pulled down the bottom price of the range. Spot sales have been light throughout the week. Production is sporadic. Some processors are expecting to increase the output as the spring holiday baking season is near. Inventories are unchanged. This week, a cooperative export assistance program accepted requests for 663,592 pounds of dry whole milk.

F.O.B. PRODUCING PLANT: 1.0000 - 1.4000

**WHEY, WPC 34%, LACTOSE & CASEIN**

Prices represent carlot/trucklot quantities for domestic and export sales packaged in 25 kg. or 50 lb. bags, or totes, spray process, dollars per pound.

**DRY WHEY - CENTRAL**

Prices for Central dry whey are unchanged to higher on the range and mostly series as some variably priced contracts factor in changes on indices. Buyers report they continue to search for well-priced loads from all sources. F.O.B. spot load availability is light to moderate, as many manufacturers broadened the number of agreements in place with brokers/traders, thus decreasing the need to regularly sell via the spot market. Manufacturers report inventories are comfortable. Export sales to the Far East helped moderate end of month inventories, and those sales made recent active production trends less problematic as far as building holdings. Manufacturers also have some contracts in hand for February offshore sales. Animal feed dry whey prices are steady to lower. Some feed blenders noted orders for finished feed are declining in some regional markets. This is especially true in the southwest as calf ranchers and dairy operators impacted by snowstorm Goliath adjust feed orders lower to account for lost youngstock. However, some veal operators refilled barns as prices for calves trended lower.

F.O.B. CENTRAL: .1800 - .2750 MOSTLY: .2200 - .2450  
F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .1200 - .2050

**DRY WHEY - NORTHEAST**

Dry whey prices in the Northeast are unchanged. Production rates in the region dipped slightly, as milk supplies to cheese plants were scaled back due to the impact of the snow storm Jonas. Manufacturers have adequate supplies of dry whey on hand, with reports of surplus product being offered by some. Indications are that limited spot trades are occurring, as some market participants attend conferences this week. Overall, the market undertone suggests some strengthening, but is mostly steady in the Northeast.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .2500 - .2775

**DRY WHEY - WEST**

Western whey prices are steady to higher this week. Dry whey production is stable and inventories are balanced. Industry contacts say information requests for whey exports have increased. The inquiries have generated a few transactions, but most business is moving through regular contracts. Market participants are mixed in their review of the whey market. Some are hopeful and feel the market tone is firming slightly, while others say the market is still weak and will take some time to recover.

NONHYGROSCOPIC: .2200 - .3200 MOSTLY: .2400 - .2600

**WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST**

Whey protein concentrate 34% prices are mostly steady, but edged slightly higher on the top end of the mostly price series. A few manufacturers are making offers well above the top end of the mostly. The responses from buyers have been mixed so far. In some cases, the processors are running into strong headwinds, but in others, buyers have capitulated when the WPC34% has specific qualities or transportation options that are favorable. Manufacturers report inventories are a little tight. WPC34% production is generally steady. However, processors that are able, have shifted some production to higher protein concentrations due to a higher price point per unit protein. Demand for WPC34% has picked up slightly this week.

F.O.B. EXTRA GRADE 34% PROTEIN: .4900 - .6800 MOSTLY: .5300 - .5900

**LACTOSE - CENTRAL AND WEST**

Lactose prices are mostly steady this week, but several purchases pushed the top end of the range higher. Industry contacts describe the market as firm and flat, but a few note the extreme difference from high to low priced lactose. Some buyers report that lactose with specific brands or characteristics are commanding a premium price well above the top end of the mostly. Many manufacturers say their inventories are tight or at least in balance. Production is steady. Some processors report an increase of inquiries for lactose export opportunities. Demand is generally good and steady.

Including spot sales and up to 3 month contracts.

F.O.B. EDIBLE, NON PHARMACEUTICAL .1400 - .3300 MOSTLY: .1800 - .2400

**CASEIN - NATIONAL**

Casein prices are unchanged with light trading. There is some buyer wariness about future overall weaker dry dairy product prices and currency valuations, leading to weaker market undertones. This is making buyers cautious about expanding inventories of casein now when buyers expect that casein will remain readily available when needed beyond current inventories.

SPOT SALES AND UP TO 3 MONTH CONTRACTS. PRICES ARE F.O.B., U.S. WAREHOUSE FOR EDIBLE NONRESTRICTED AND VARY ACCORDING TO MESH SIZE AND QUALITY.

RENNET: 2.7800 - 3.3500  
ACID: 2.7300 - 3.5000

U.S. Dairy Cow Slaughter (1000 head) under Federal Inspection

WEEK ENDING	2016 WEEKLY DAIRY COWS	2016 CUMULATIVE DAIRY COWS	2015 WEEKLY DAIRY COWS	2015 CUMULATIVE DAIRY COWS
01/09/2016	68.5	3,019.5	64.8	2,919.3

WEBSITE: [http://www.ams.usda.gov/mnreports/sj\\_ls714.txt](http://www.ams.usda.gov/mnreports/sj_ls714.txt)

SOURCE: The slaughter data are gathered and tabulated in a cooperative effort by the Agricultural Marketing Service, The Food Safety and Inspection Service, and the National Agricultural Statistics Service, all of USDA.

**CLASS III MILK PRICES (3.5% BF)**

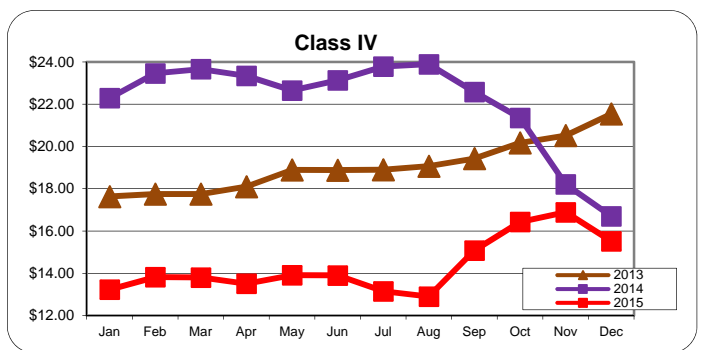
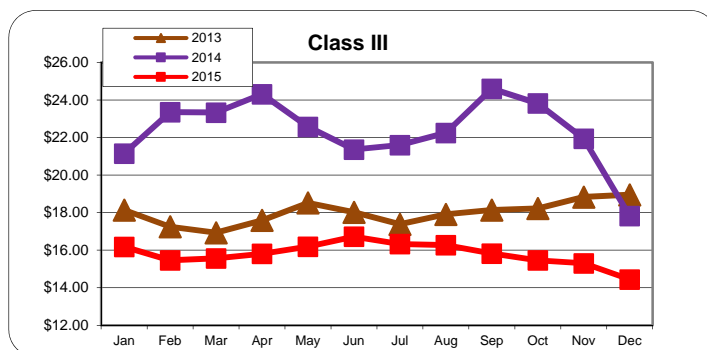
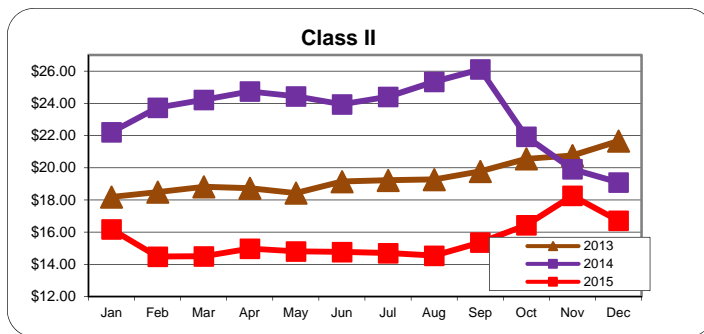
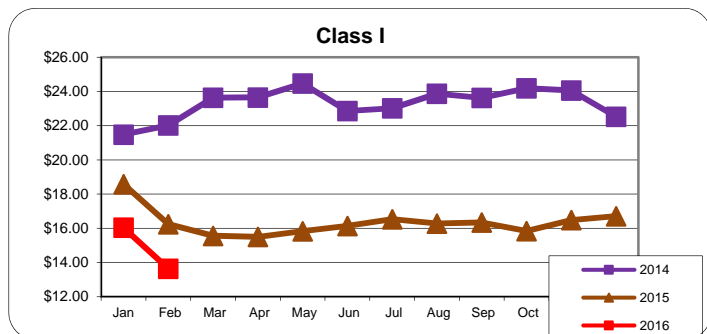
YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2011	13.48	17.00	19.40	16.87	16.52	19.11	21.39	21.67	19.07	18.03	19.07	18.77
2012	17.05	16.06	15.72	15.72	15.23	15.63	16.68	17.73	19.00	21.02	20.83	18.66
2013	18.14	17.25	16.93	17.59	18.52	18.02	17.38	17.91	18.14	18.22	18.83	18.95
2014	21.15	23.35	23.33	24.31	22.57	21.36	21.60	22.25	24.60	23.82	21.94	17.82
2015	16.18	15.46	15.56	15.81	16.19	16.72	16.33	16.27	15.82	15.46	15.30	14.44

**CLASS IV MILK PRICES (3.5%)**

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2011	16.42	18.40	19.41	19.78	20.29	21.05	20.33	20.14	19.53	18.41	17.87	16.87
2012	16.56	15.92	15.35	14.80	13.55	13.24	14.45	15.76	17.41	18.54	18.66	17.83
2013	17.63	17.75	17.75	18.10	18.89	18.88	18.90	19.07	19.43	20.17	20.52	21.54
2014	22.29	23.46	23.66	23.34	22.65	23.13	23.78	23.89	22.58	21.35	18.21	16.70
2015	13.23	13.82	13.80	13.51	13.91	13.90	13.15	12.90	15.08	16.43	16.89	15.52

**FEDERAL MILK ORDER CLASS PRICES FOR 2016 (3.5%)**

CLASS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
I 1/	16.04	13.64										
II												
III												
IV												

1/ Specific order differentials to be added to this base price can be found by going to: [www.ams.usda.gov/DairyMarketingStatistics](http://www.ams.usda.gov/DairyMarketingStatistics); then select "Prices"; and then select "Principal Pricing Points."

## ORGANIC DAIRY MARKET NEWS

Information gathered January 18 – 29, 2016

## ORGANIC DAIRY FLUID OVERVIEW

**Milk Product Sales.** AMS reports total organic milk products sales for November 2015, 199 million pounds, were down 0.9% from November last year and down 2.3% year to date through November this year compared with last year.

Total organic whole milk products sales for November 2015, 70 million pounds, were up 12.4% compared with November last year and up 9.4% January through November 2015 compared with the same months of 2014. With the exception of organic whole milk, all other fat and flavored categories of organic milk have lower sales January through November 2015 than 2014.

## ESTIMATED TOTAL U.S. SALES OF FLUID MILK PRODUCTS, NOVEMBER 2015, WITH COMPARISONS 1/

Product Name	Sales		Change from: 2/	
	NOV Mil. Lbs.	Y-T-D	Prev Yr. Y-T-D Percent	
<b>ORGANIC PRODUCTION PRACTICE</b>				
Whole Milk	70	741	12.4	9.4
Reduced Fat Milk (2%)	59	664	3.3	-1.7
Low Fat Milk (1%)	34	404	-11.7	-6.6
Fat-Free Milk (Skim)	27	318	-12.5	-14.4
Flavored Fat-Reduced Milk	8	94	-27.3	-17.5
Other Fluid Milk Products	0	2	--	--
Total Fat-Reduced Milk 3/	129	1,480	-6.9	-7.1
<b>Tot. Organic Milk Products</b>	<b>199</b>	<b>2,223</b>	<b>-0.9</b>	<b>-2.3</b>

\*Total Fluid Milk Products Adjusted for Calendar Composition will not be published until release of "An Overview of Calendar Composition of Fluid Milk Sales." 1/ These figures are representative of the consumption of fluid milk products in Federal milk order marketing areas and California, which account for approximately 92 percent of total fluid milk sales in the United States. An estimate of total U.S. fluid milk sales is derived by interpolating the remaining 8 percent of sales from the Federal milk order and California data. 2/ Percent changes, as well as sales volumes, unless otherwise noted, are shown on an unadjusted basis; 3/ Organic fat-reduced milk categories are total of reduced fat, low-fat, skim, and flavored fat reduced milk. composition.

The November milk products sales results which show mostly lower November 2015 sales than November 2014, as well as lower than January-November 2014, are only the latest evidence of the organic dairy industry struggling to even maintain milk production levels, let alone increase them.

Organic producers continue to advocate for higher contract prices as a way to generate increased production and transitioning of new producers into organic milk production. So far this year there is little evidence of widespread significant organic pay price increases.

There is increased activity to encourage more transitioning into organic dairy production. Some organic processors remain very focused and active with efforts to encourage transitioning. A more recent development is also more widespread activity from organic organizations and educational institutions offering programs or workshops to make information about transitioning and organic practices available. This month and last, there are such efforts scheduled in a number of states including New York, Vermont, Wisconsin, Minnesota, Illinois, California and other states as well. The goal is to encourage new entrants into organic dairy production.

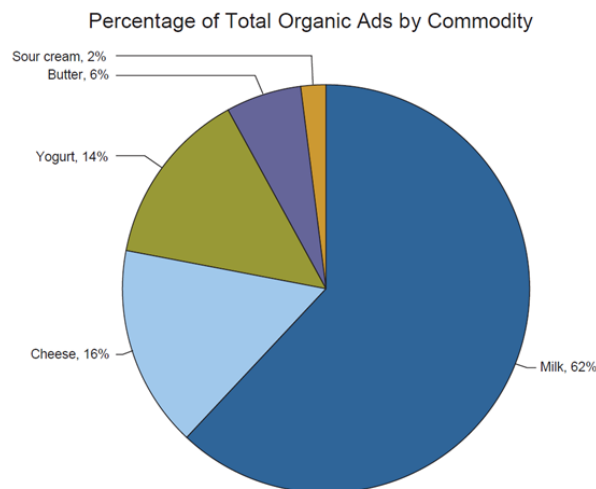
**Organic Nonfat Dry Milk.** There has recently been increased production of organic nonfat dry milk by occasional manufacturers in the West which have not been manufacturing that product in recent months. Newly secured organic milk flows enable the manufacturing. Recent organic NDM pricing is near \$4.00/pound for regular continuing customers at a time when Dairy Market News conventional NDM pricing for West low/medium heat ranges from \$.6500 - \$.8300.

There are also reports of volumes of organic NDM in the West going into conventional markets. That has occurred when some manufacturers increased production of organic NDM anticipating needs of customers who use organic NDM in organic food downstream manufacturing. When those customers decided to reduce production volumes, they took less organic NDM. Selling some of the resulting manufacturer stocks proved challenging. Even with the current tight supplies of organic dairy products overall, with less developed spot markets than conventional dairy, these situations often result in the organic product being folded into conventional supplies at conventional prices.

**Market Adjustment Premium.** A national organic dairy brand has informed some contracted organic producers in the Northeast that the current \$3.00 market adjustment premium will continue through June 30, 2016, yielding an organic pay price near \$40.00 in that region.

## ORGANIC DAIRY RETAIL OVERVIEW

**Organic Dairy Overview.** This week, organic milk accounts for 62% of organic dairy ads this period, organic cheese 16%, organic yogurt 14%, organic butter 6%, and organic sour cream 2%.



Advertising information presented is compiled from nearly 23,000 surveyed newspaper supermarket ads with prices valid from January 29-February 4, 2016 identifying weekly "specials" and containing organic dairy content. Surveyed ads reflect advertised "specials" and not the range of non-advertised supermarket cooler prices.

Complete results of this weekly survey providing additional graphs, tables and regional delineation, follow at the end of Dairy Market News, or can be accessed at:

<http://www.ams.usda.gov/market-news/retail-dairy-market-news>

## ORGANIC DAIRY MARKET NEWS

Information gathered January 18 – 29, 2016

CONTINUED FROM PAGE -8 -

**Organic Milk Half Gallons.** The U.S. weighted average advertised price of organic milk half gallons is \$4.33, up 34 cent from last year, and up 68 cents from last week. Ads appeared in the Northeast, Midwest, South Central, Southwest, and Northwest regions.

**Organic Milk 8 Ounce UHT.** The U.S. weighted average advertised price of organic 8 ounce UHT milk is \$0.98, down 2 cents from a year ago, but up 2 cents from last week. Ads appeared in the Southeast, South Central, Southwest, and Northwest regions.

**8 Ounce Block Organic Cheese.** The U.S. weighted average price of 8 ounce cheese blocks is \$3.36, down 59 cents from last week. Ads appeared in the South Central and Northwest regions.

**8 Ounce Shred Organic Cheese.** The U.S. weighted average price of 8 ounce cheese shreds is \$3.50, down 32 cents from a week ago. Ads appeared in the South Central, Southwest, and Northwest regions.

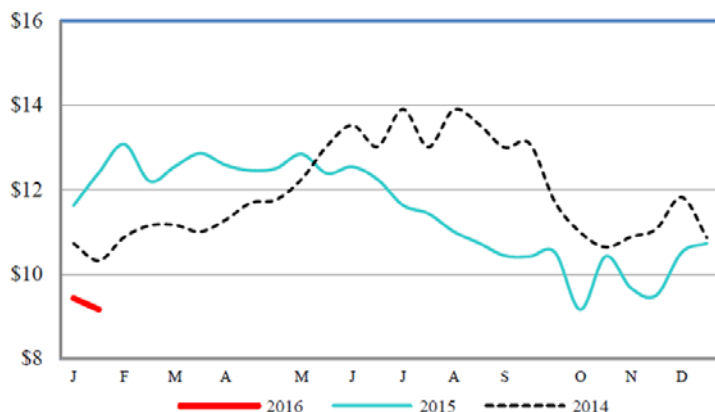
**4-6 Ounce Organic Greek Yogurt.** The U.S. weighted average price of 4-6 ounce organic Greek yogurt is \$1.08, down 13 cents from one year ago, but up 3 cents from last week. Ads appeared in the Northeast and Midwest regions.

**1 Pound Organic Butter.** The U.S. weighted average price of 1 pound organic butter is \$5.61, up \$1.62 from one year ago, and up 40 cents from last week. Ads appeared in the Northeast, Southwest, and Northwest regions.

#### ORGANIC GRAIN AND FEEDSTUFF MARKETS:

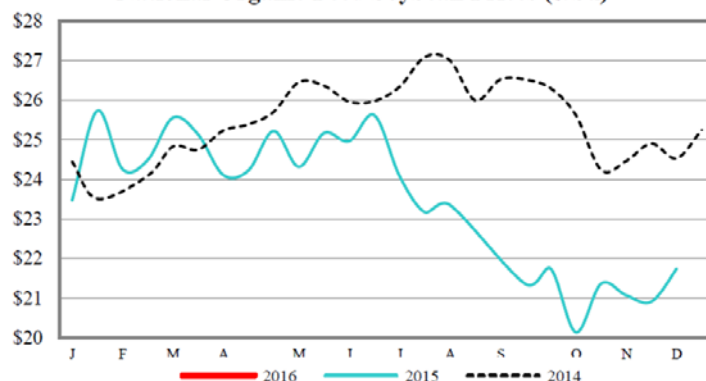
There is moderate demand for organic grains. Contract deliveries are steady. Organic feed grade corn traded lightly lower at mostly 8.40-9.50. Trade activity improved for organic feed grade soybeans, trading mostly 18.50-21.50. There were limited trades of soybean meal, roasted soybeans, and soybean oil. Good demand and trade activity occurred for feed grade hard red winter wheat. Trade activity and demand for organic barley and oats was limited. Trade activity for organic imports is increasing, impacting demand and prices of

National Organic Feed Corn Prices (\$/bu)



domestic organic corn, soybeans and wheat.

National Organic Feed Soybean Prices (\$/bu)



Organic Spot Market Negotiated Grain Prices

Organic Commodity	Price Range	Average**
Corn*: Feed Yellow	8.40 - 11.25	9.16
Soybeans* Feed	18.50 - 23.00	20.14

\*Prices quoted \$/bushel FOB the farm, except soybean meal (\$/ton and FOB the mill).

\*\*Weighted average price.

Additional livestock and grain market news information is available at: [www.ams.usda.gov/LSMarketNews](http://www.ams.usda.gov/LSMarketNews)



## MONTHLY COLD STORAGE REPORT – TOTAL U.S. STOCKS

NOTE: Data for this report is collected from public, private and semiprivate warehouses, apple houses, and meat packing plants where food products are generally stored for 30 days or more. Commodities in space owned or leased and operated by the armed services are not reported. Food stocks held under bond are included in the storage data.

All stocks in thousand pounds except where otherwise indicated

## U.S. HOLDINGS OF DAIRY PRODUCTS

COMMODITY	NOV 30, 2013	NOV 30, 2014	REVISED NOV 30, 2015	DEC 31, 2013	DEC 31, 2014	DEC 31, 2015
Butter	121,627	107,566	132,740	112,467	104,728	152,890
Cheese, Natural American	613,965	635,776	698,313	618,265	627,769	700,688
Cheese, Swiss	26,102	24,419	22,665	24,688	21,282	24,587
Cheese, Other Natural	356,542	356,997	425,601	366,428	368,885	420,541
Total Cheese	996,609	1,017,192	1,146,579	1,009,381	1,017,936	1,145,816

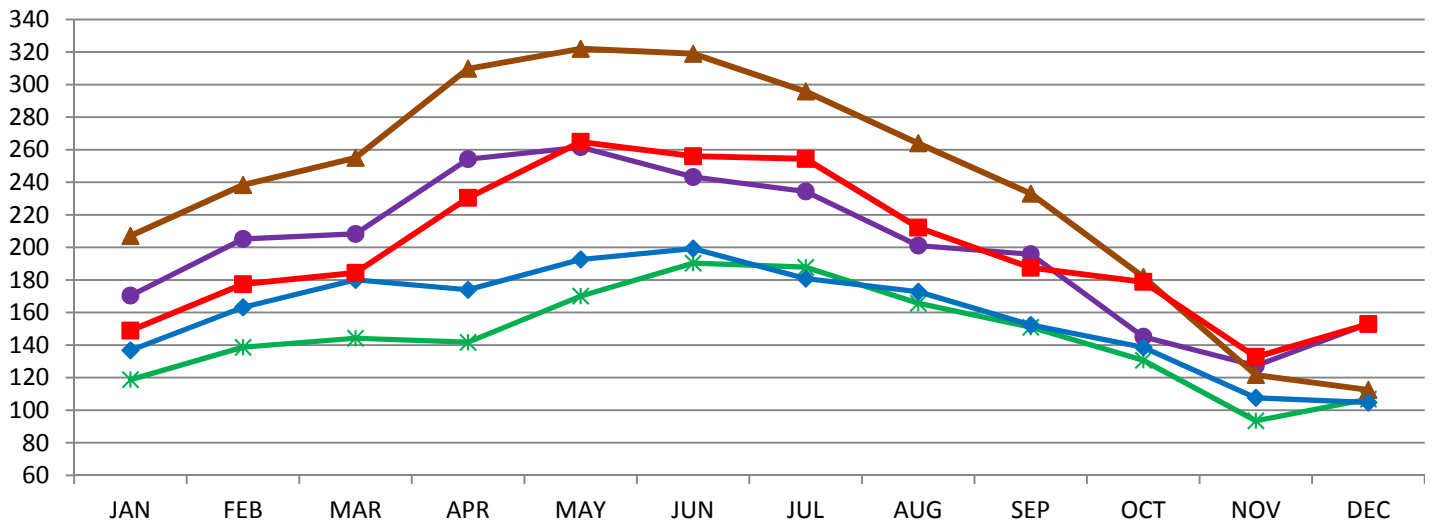
## DECEMBER STORAGE HOLDINGS BY REGION

REGION	Natural American Cheese			Butter *			Other Natural Cheese		
	2013	2014	2015	2013	2014	2015	2013	2014	2015
New England	50,494	61,196	61,581	---	---	---	1,198	879	1,111
Middle Atlantic	63,066	67,534	73,797	---	---	---	14,804	21,513	22,246
East North Central	222,758	228,190	281,101	---	---	---	255,479	232,725	267,307
West North Central	107,514	100,107	107,446	---	---	---	39,067	46,730	47,867
South Atlantic	652	761	689	---	---	---	5,476	17,892	22,031
East South Central	3,324	4,474	6,080	---	---	---	9,587	13,338	14,556
West South Central	6,488	15,054	11,681	---	---	---	476	551	1,008
Mountain	50,254	52,032	58,315	---	---	---	2,947	2,256	3,249
Pacific	113,715	98,421	99,998	---	---	---	37,394	33,001	41,166
TOTAL	618,265	627,769	700,688	112,467	104,728	152,890	366,428	368,885	420,541

\*Regional breakdowns are not reported to avoid possible disclosure of individual operations.

MILLION POUNDS

## BUTTER COLD STORAGE HOLDINGS



DATA SOURCE, USDA, NASS; GRAPH, USDA, AMS, DMN

—\*— 2011 —●— 2012 —▲— 2013 —◆— 2014 —■— 2015



## December Milk Production

Milk production in the 23 major States during December totaled 16.4 billion pounds, up 0.7 percent from December 2014. November revised production, at 15.6 billion pounds, was up 0.7 percent from November 2014. The November revision represented an increase of 26 million pounds or 0.2 percent from last month's preliminary production estimate. Production per cow in the 23 major States averaged 1,894 pounds for December, 6 pound above December 2014. This is the highest production per cow for the month of December since the 23 State series began in 2003. The number of milk cows on farms in the 23 major States was 8.64 million head, 29,000 head more than December 2014, and 1,000 more than November 2015. Milk production in the United States during the October - December quarter totaled 51.2 billion pounds, up 0.6 percent from the October - December quarter last year. The average number of milk cows in the United States during the quarter was 9.32 million head, 6,000 head more than the July - September quarter, and 33,000 head more than the same period last year.

State	Milk Cows <sup>1,2</sup>				Milk Production <sup>1,3</sup>			
	Dec		Oct - Dec		Dec		Oct - Dec	
	2014	2015	2014	2015	2015	Percent change from 2014	2015	Percent change from 2014
	<i>(thousands)</i>				<i>(million lbs)</i>			
AL	--	--	8.0	7.0	--	--	22.0	-12.0
AK	--	--	0.3	0.3	--	--	0.8	-11.1
AZ	194	195	194.0	195.0	390	-2.3	1,137.0	-1.6
AR	--	--	7.0	7.0	--	--	20.0	-9.1
CA	1,780	1,776	1,780.0	1,776.0	3,366	-3.0	9,815.0	-4.3
CO	145	148	145.0	147.0	315	2.6	939.0	3.5
CT	--	--	19.0	19.0	--	--	98.0	3.2
DE	--	--	4.9	5.0	--	--	23.6	-2.9
FL	124	125	123.0	125.0	211	1.4	586.0	1.4
GA	--	--	81.0	85.0	--	--	431.0	8.6
HI	--	--	2.2	2.2	--	--	7.8	8.3
ID	579	587	579.0	587.0	1,168	1.1	3,499.0	1.9
IL	94	94	93.0	94.0	162	2.5	463.0	2.0
IN	180	184	179.0	184.0	348	3.6	1,018.0	3.9
IA	209	210	208.0	210.0	411	2.0	1,198.0	2.0
KS	143	142	143.0	142.0	263	-1.5	775.0	-1.6
KY	--	--	62.0	60.0	--	--	256.0	3.2
LA	--	--	14.0	13.0	--	--	42.0	-10.6
ME	--	--	30.0	30.0	--	--	149.0	--
MD	--	--	49.0	49.0	--	--	240.0	-1.2
MA	--	--	12.5	12.0	--	--	53.0	-3.6
MI	402	412	399.0	411.0	876	4.8	2,580.0	5.8
MN	460	460	460.0	460.0	807	2.9	2,351.0	2.8
MS	--	--	12.0	10.0	--	--	34.0	-24.4
MO	--	--	88.0	88.0	--	--	326.0	-3.3
MT	--	--	14.0	14.0	--	--	73.0	-1.4
NE	--	--	54.0	58.0	--	--	340.0	11.8
NV	--	--	28.0	28.0	--	--	166.0	-4.6
NH	--	--	14.0	14.0	--	--	70.0	1.4
NJ	--	--	7.0	7.0	--	--	30.0	-3.2
NM	323	319	323.0	321.0	624	-6.2	1,884.0	-4.1
NY	615	620	615.0	620.0	1,203	3.5	3,534.0	3.1
NC	--	--	47.0	47.0	--	--	241.0	0.8
ND	--	--	16.0	16.0	--	--	83.0	5.1
OH	268	266	267.0	266.0	458	--	1,347.0	0.4
OK	--	--	40.0	37.0	--	--	167.0	-1.8
OR	125	126	124.0	125.0	213	2.9	623.0	1.1
PA	530	530	530.0	530.0	904	--	2,635.0	-0.6
RI	--	--	0.9	0.9	--	--	3.8	-7.3
SC	--	--	15.0	15.0	--	--	61.0	--
SD	98	110	98.0	109.0	209	13.0	614.0	13.5
TN	--	--	47.0	43.0	--	--	173.0	-8.5
TX	470	461	470.0	462.0	853	-3.0	2,530.0	-1.8
UT	96	96	96.0	96.0	183	-1.6	542.0	-1.5
VT	132	131	132.0	131.0	226	0.4	660.0	-0.3
VA	93	91	92.0	90.0	147	-3.3	430.0	-2.3
WA	277	277	276.0	277.0	548	0.4	1,625.0	0.2
WV	--	--	9.0	8.5	--	--	33.0	-2.9
WI	1,274	1,280	1,273.0	1,280.0	2,477	4.8	7,277.0	4.6
WY	--	--	6.0	6.0	--	--	34.4	7.5
23 State Total	8,611	8,640	--	--	16,362	0.7	--	--
U.S. <sup>4,5</sup>			9,287.0	9,320.0			51,240.0	0.6

<sup>1</sup> Preliminary. <sup>2</sup> Includes dry cows, excludes heifers not yet fresh. <sup>3</sup> Excludes milk sucked by calves. <sup>4</sup> Includes states for which individual monthly estimates are not available.

<sup>5</sup> Milk cows will not add due to rounding. **Source:** U.S. Department of Agriculture, National Agricultural Statistics Service, *Milk Production*, (January 2016).

## Consumer Price Index and Average Retail Prices for Selected Products, U.S. City Average <sup>1</sup>

Consumer Price Index – 2015												
Month	All Food		Dairy Products		Fresh Whole Milk		Cheese		Butter		Meat, Poultry, Fish, and Eggs	
	CPI <sup>2</sup>	Pct. Chg <sup>3</sup>	CPI <sup>2</sup>	Pct. Chg <sup>3</sup>	CPI <sup>2</sup>	Pct. Chg <sup>3</sup>	CPI <sup>2</sup>	Pct. Chg <sup>3</sup>	CPI <sup>2</sup>	Pct. Chg <sup>3</sup>	CPI <sup>2</sup>	Pct. Chg <sup>3</sup>
Oct	249.1	1.6	221.9	-3.0	210.4	-8.5	232.9	-3.0	250.9	-2.3	261.6	0.7
Nov	248.3	1.3	220.6	-3.4	208.4	-9.5	232.2	-3.3	237.2	-4.1	259.1	-0.5
Dec	247.9	0.8	220.8	-3.9	209.4	-9.0	230.7	-3.7	239.2	-0.5	255.3	-2.2

U.S. City Average Retail Prices										
Month	Whole Milk <sup>4</sup>		Butter <sup>5</sup>		Process Cheese <sup>6</sup>		Natural Cheese <sup>7</sup>		Ice Cream <sup>8</sup>	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Oct	3.338	3.766	N/A	N/A	4.331	4.487	5.478	5.568	4.626	4.884
Nov	3.299	3.858	N/A	N/A	4.333	4.870	5.433	5.419	4.684	4.863
Dec	3.310	3.820	N/A	N/A	4.345	4.713	5.328	5.438	4.725	5.041

N/A = Not available. <sup>1</sup> "CPI Detailed Report," "Consumer Prices: Energy and Food," BLS, U.S. Department of Labor. According to BLS, average prices are best used to measure the price level in a particular month. To measure price change over time, the CPI is more appropriate. <sup>2</sup> The standard reference base period for these indexes is 1982-1984 = 100. <sup>3</sup> Percent change over previous year. <sup>4</sup> Per gallon. <sup>5</sup> Per pound. Grade AA, salted, stick butter. <sup>6</sup> Per pound, any size and type of package. <sup>7</sup> Per pound, cheddar cheese in any size and type of package and variety (sharp, mild, smoked, etc). <sup>8</sup> Per 1/2 gallon prepackaged regular.

## November Milk Sales \*

During November 4.2 billion pounds of packaged fluid milk products is estimated to have been sold in the United States. This was 0.3 percent lower than November 2014. Estimated sales of total conventional fluid milk products decreased 0.2 percent from November 2014 and estimated sales of total organic fluid milk products decreased 0.9 percent from a year earlier.

Estimated Total U.S. Sales of Fluid Milk Products, November 2015, with Comparisons <sup>1,4</sup>				
Product Name	Sales		Change from: <sup>2</sup>	
	Nov *	Year to Date	Previous Year	Year to Date
	(million pounds)		(percent)	
Conventional Production Practice				
Whole Milk	1,162	12,535	5.0	4.1
Flavored Whole Milk	51	523	10.6	7.0
Reduced Fat Milk (2%)	1,316	14,509	-3.3	-6.7
Low Fat Milk (1%)	585	6,551	-0.1	6.5
Fat-Free Milk (Skim)	420	4,836	-10.9	-10.4
Flavored Fat-Reduced Milk	335	3,402	8.9	1.9
Buttermilk	48	469	5.8	6.1
Other Fluid Milk Products	46	99	-4.5	-5.3
Total Fat-Reduced Milk <sup>3</sup>	2,657	29,298	-2.6	-3.7
Total Conventional Milk Products	3,964	42,924	-0.2	-1.4
Organic Production Practice				
Whole Milk	70	741	12.4	9.4
Reduced Fat Milk (2%)	59	664	3.3	-1.7
Low Fat Milk (1%)	34	404	-11.7	-6.6
Fat-Free Milk (Skim)	27	318	-12.5	-14.4
Flavored Fat-Reduced Milk	8	94	-27.3	-17.5
Other Fluid Milk Products	0	2	----	----
Total Fat-Reduced Milk <sup>3</sup>	129	1,480	-6.9	-7.1
Total Organic Milk Products	199	2,223	-0.9	-2.3
Total Fluid Milk Products	4,163	45,147	-0.3	-1.4

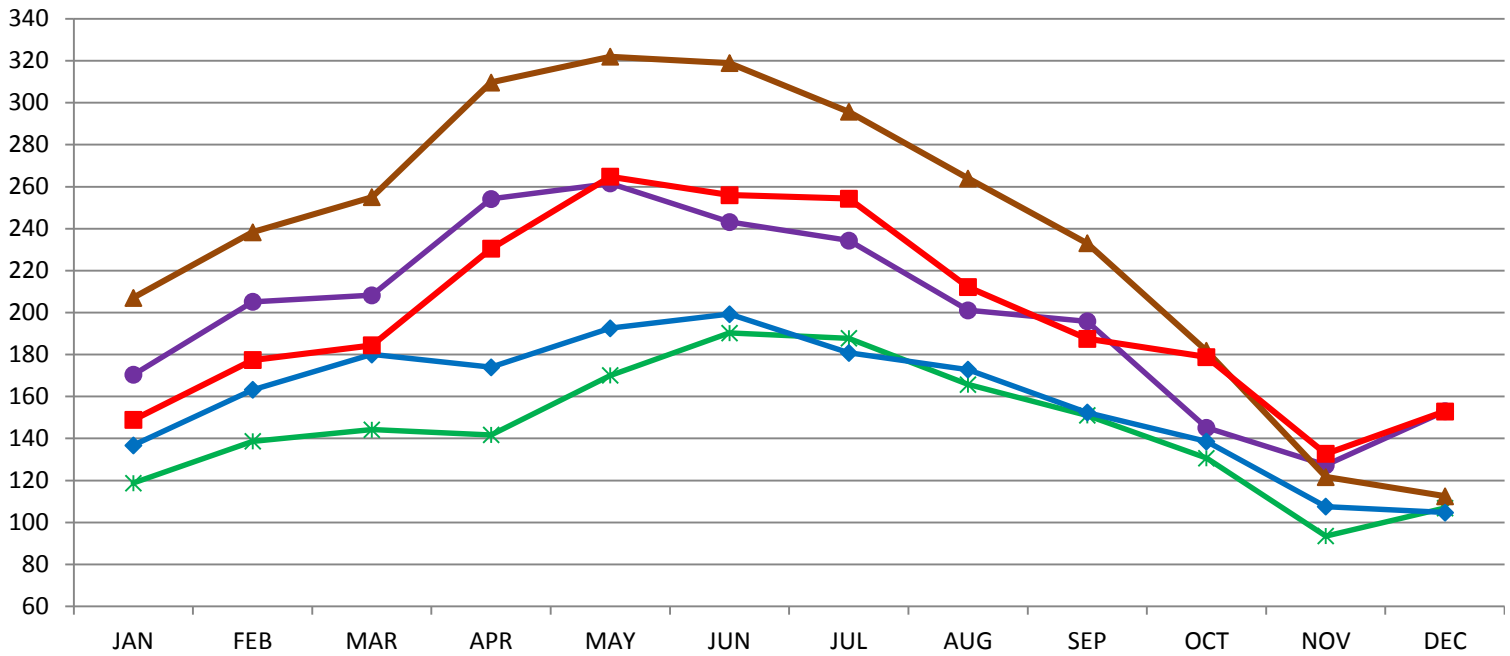
<sup>1</sup> These figures are representative of the consumption of fluid milk products in Federal milk order marketing areas and California, which account for approximately 92 percent of total fluid milk sales in the United States. An estimate of total U.S. fluid milk sales is derived by interpolating the remaining 8 percent of sales from the Federal milk order and California data. <sup>2</sup> Percent changes, as well as sales volumes, unless otherwise noted, are shown on an unadjusted basis. <sup>3</sup> Both conventional and organic fat-reduced milk categories are total of reduced fat, lowfat, skim and flavored fat-reduced milk. <sup>4</sup> The California Department of Food and Agriculture (CDFA) clarified reporting instructions starting in July 2015, for packaged product moving plant to plant prior to ultimate distribution. This improved the accuracy of current numbers, but makes current year to prior years less accurate, and will overstate any year over year decrease in sales. Report contact: Daniel Manzoni, [Daniel.manzoni@ams.usda.gov](mailto:Daniel.manzoni@ams.usda.gov) or 202-720-2352. \* Revised.

Packaged Sales of Total Fluid Milk Products in Federal Milk Orders and California, November 2015, with Comparisons <sup>1</sup>					
Marketing Area	Order Number	Sales		Change from: <sup>2</sup>	
		Nov *	Year to Date	Previous Year	Year to Date
		(million pounds)		(percent)	
Northeast	001	707	7,713	0.3	-0.4
Appalachian	005	276	2,970	1.6	-0.3
Florida	006	231	2,492	2.7	0.2
Southeast	007	382	4,147	0.8	-1.0
Upper Midwest	030	317	3,435	-2.1	-3.1
Central	032	355	3,791	-0.8	-2.5
Mideast	033	457	4,975	-1.1	-1.1
Pacific Northwest	124	171	1,828	-0.5	-1.4
Southwest	126	375	4,057	-0.7	0.5
Arizona	131	92	989	2.4	-1.8
California <sup>3</sup>	---	467	5,133	-2.1	-4.3
All Orders (Total)		3,362	36,402	0.0	-1.0
All Areas (Total)		3,830	41,535	-0.3	-1.4

<sup>1</sup> These figures are representative of the consumption of total fluid milk products in the respective area; see footnote <sup>3</sup> above for the products included. <sup>2</sup> Percent changes, as well as sales volumes, are shown on an unadjusted basis. <sup>3</sup> See footnote <sup>4</sup> in the above table regarding California sales. \* Revised.

**Source:** U.S. Department of Agriculture. California Department of Food and Agriculture.

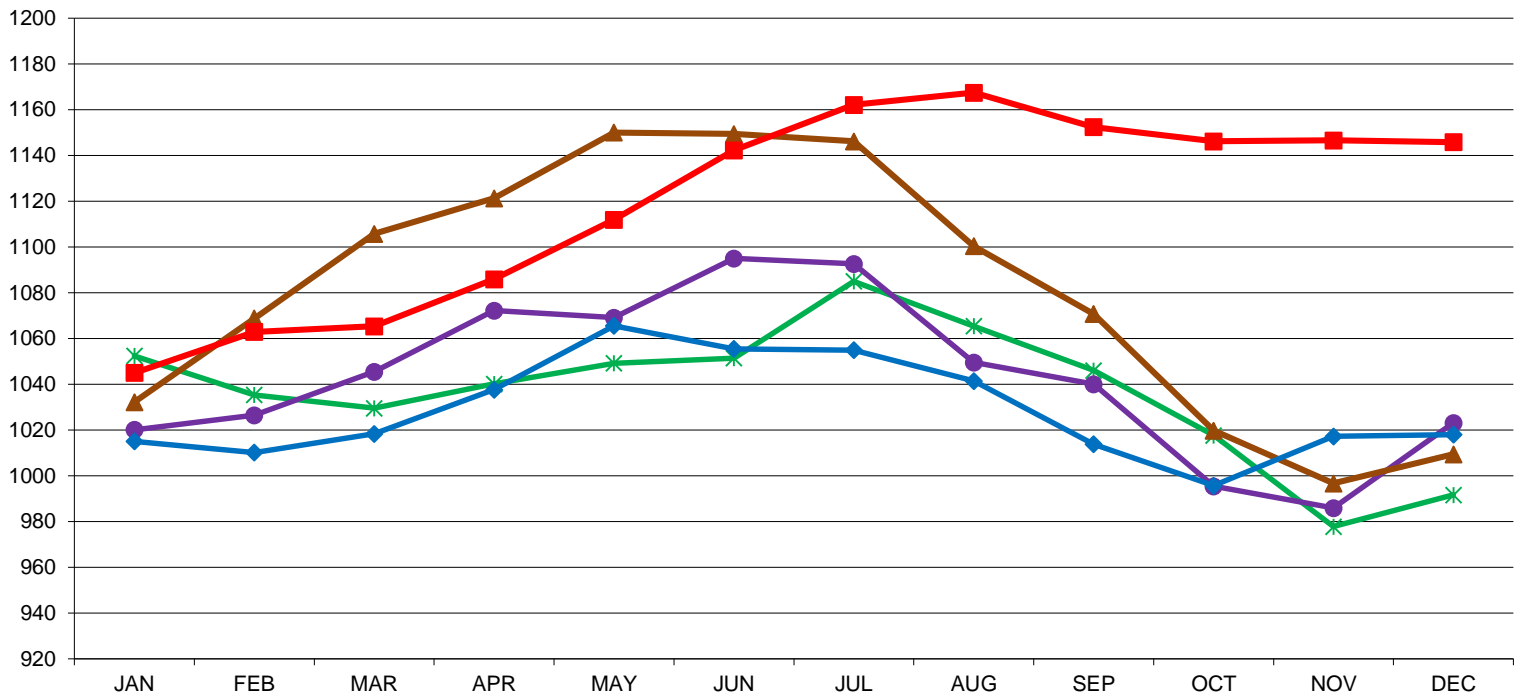
MILLION POUNDS

**Butter Cold Storage Holdings**

DATA SOURCE, USDA, NASS; GRAPH, USDA, AMS, DMN

—\* 2011   
—● 2012   
—▲ 2013   
—◆ 2014   
—■ 2015

MILLION POUNDS

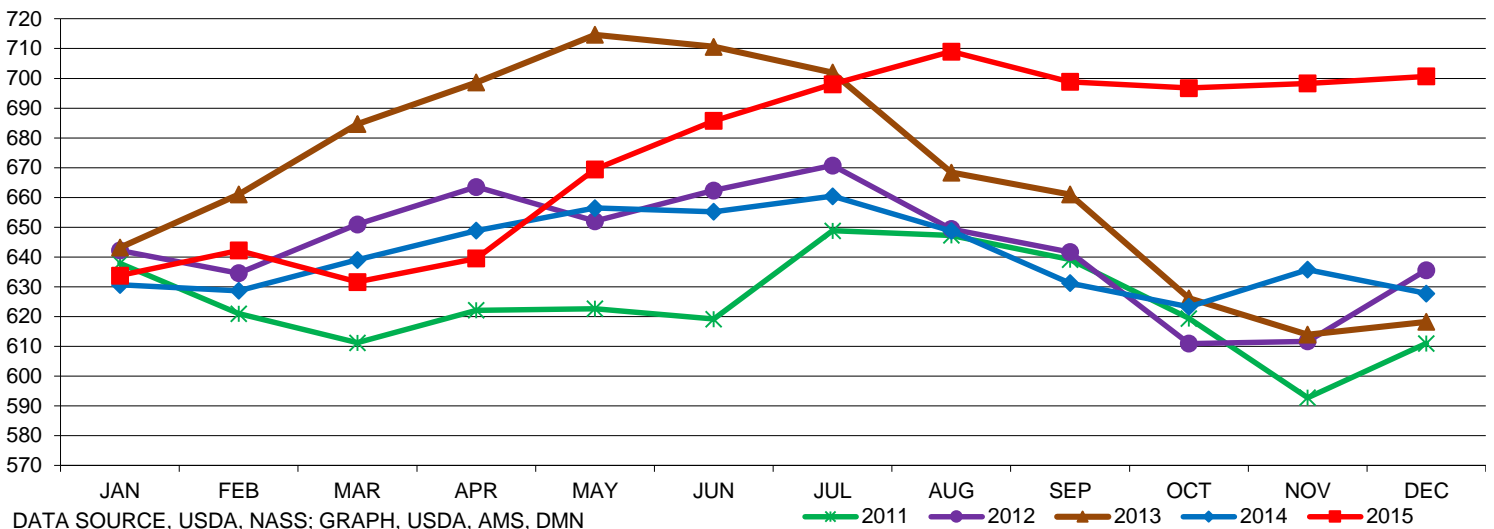
**U.S. Total Natural Cheese Cold Storage Holdings**

DATA SOURCE, USDA, NASS; GRAPH, USDA, AMS, DMN

—\* 2011   
—● 2012   
—▲ 2013   
—◆ 2014   
—■ 2015

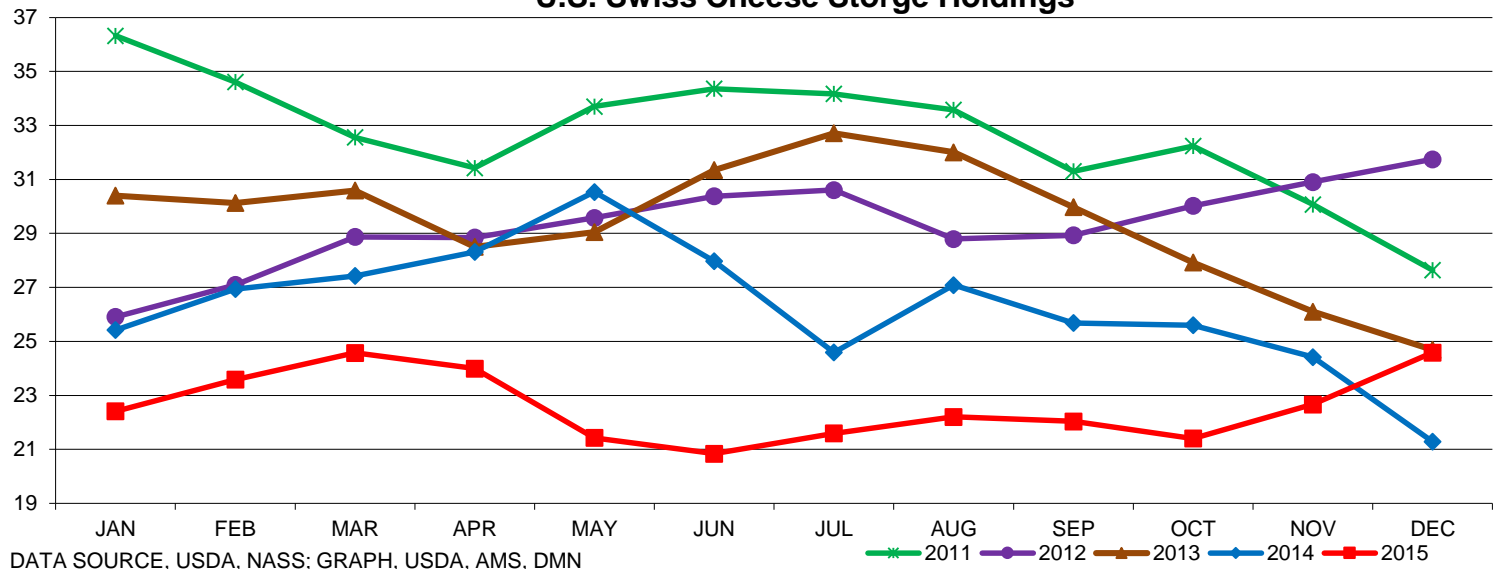
### U.S. Natural American Cheese Cold Storage Holdings

MILLION POUNDS



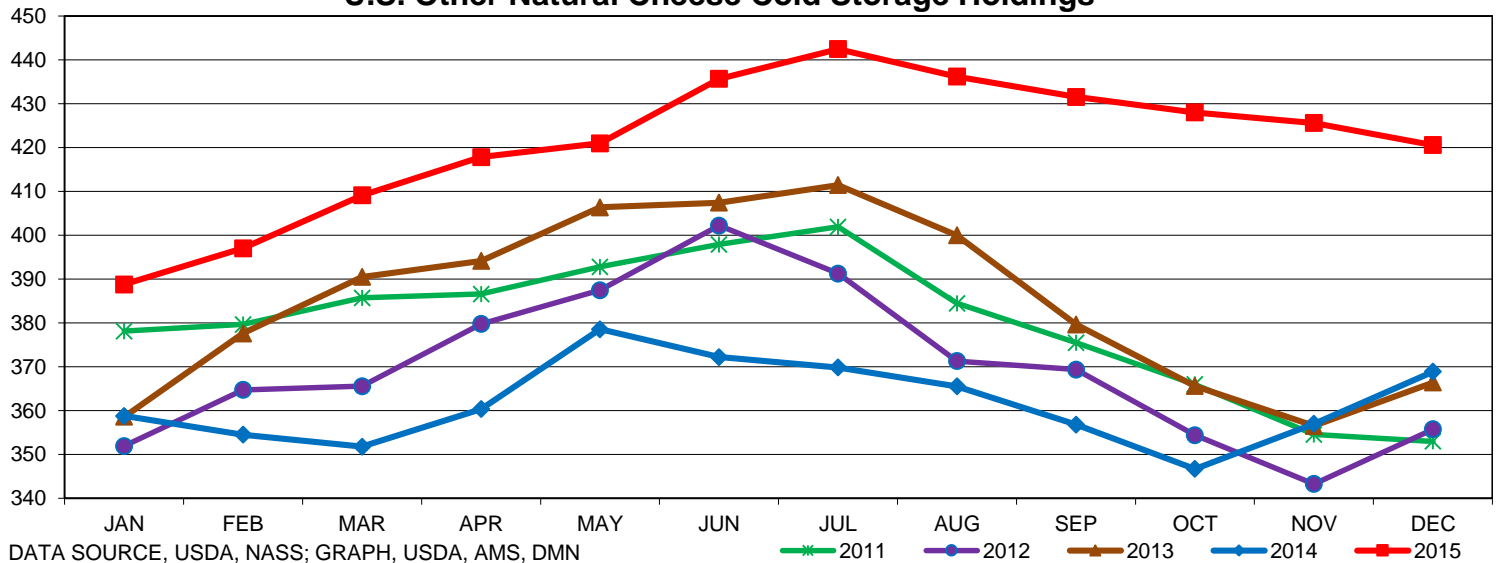
### U.S. Swiss Cheese Storage Holdings

MILLION POUNDS

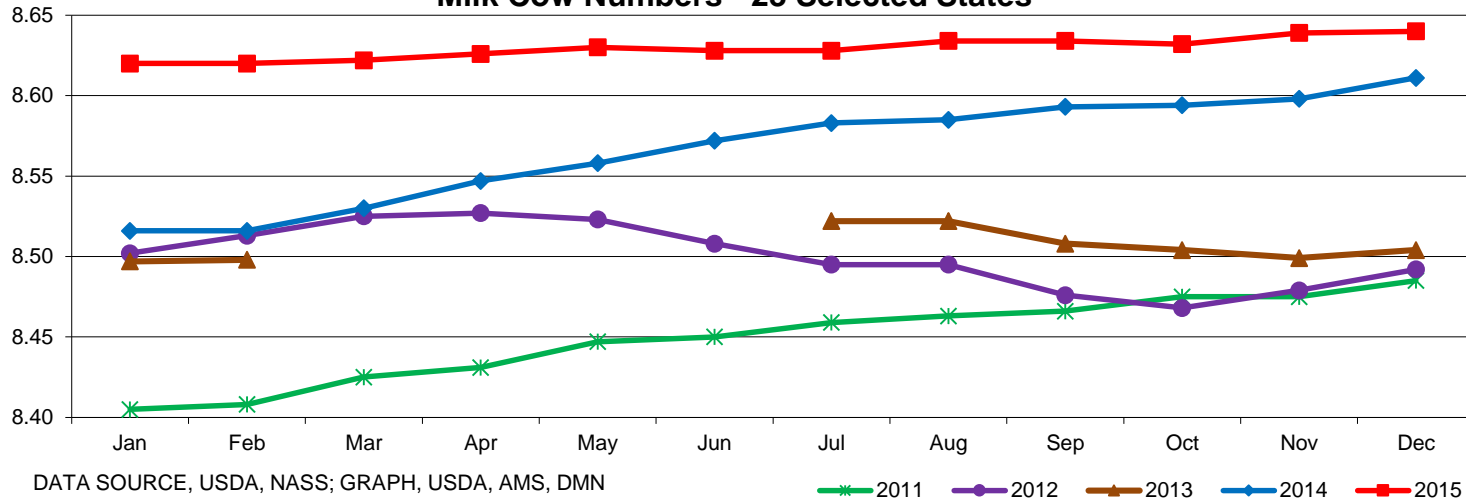


### U.S. Other Natural Cheese Cold Storage Holdings

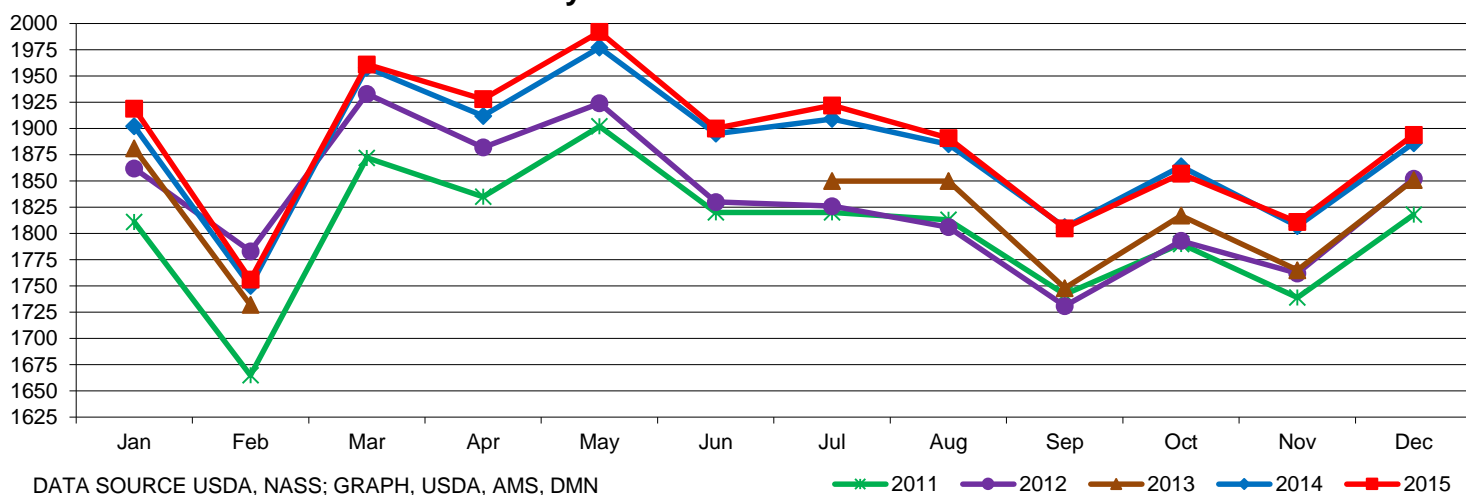
MILLION POUNDS



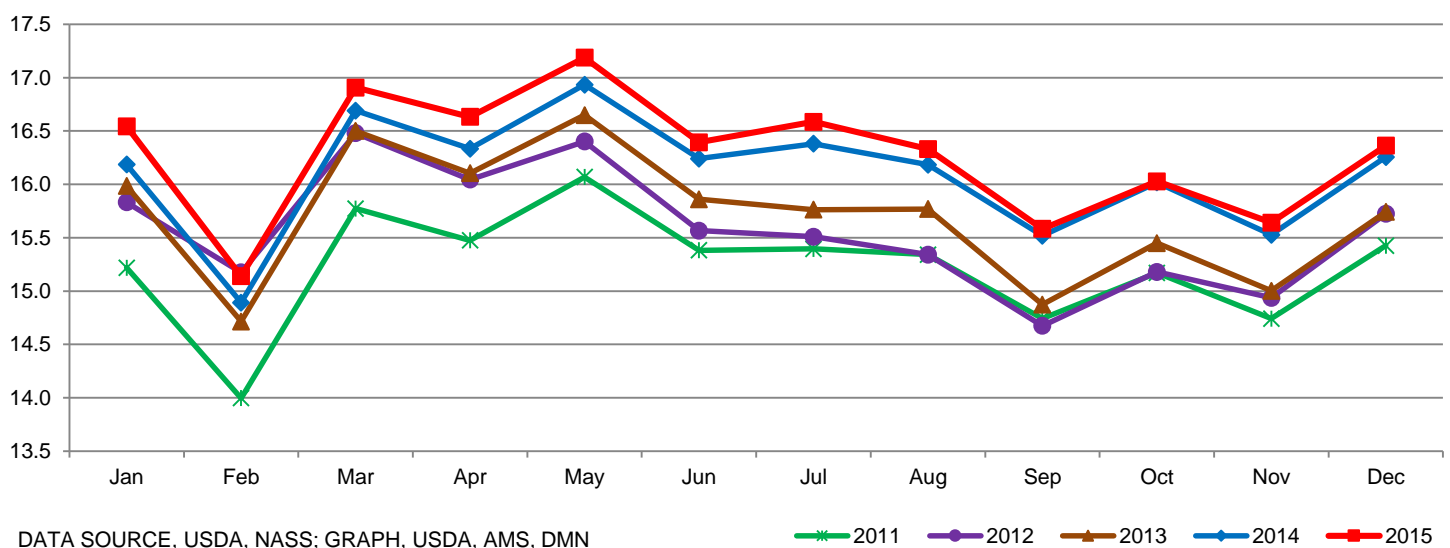
MILLION HEAD

**Milk Cow Numbers - 23 Selected States**

POUNDS

**Monthly Milk Per Cow - 23 Selected States**

BILLION POUNDS

**Milk Production - 23 Selected States**





## Dairy Market News Branch

Agricultural  
Marketing  
Service

# National Retail Report-Dairy

Websites: <http://www.marketnews.usda.gov/mnp/da-home> and <http://www.ams.usda.gov/mnreports/dybretail.pdf>

Volume 83- Number 4

Issued Weekly

Friday, January 29, 2016

### Advertised Prices for Dairy Products at Major Retail Supermarket Outlets ending during the period of 01/29/2016 to 02/04/2016

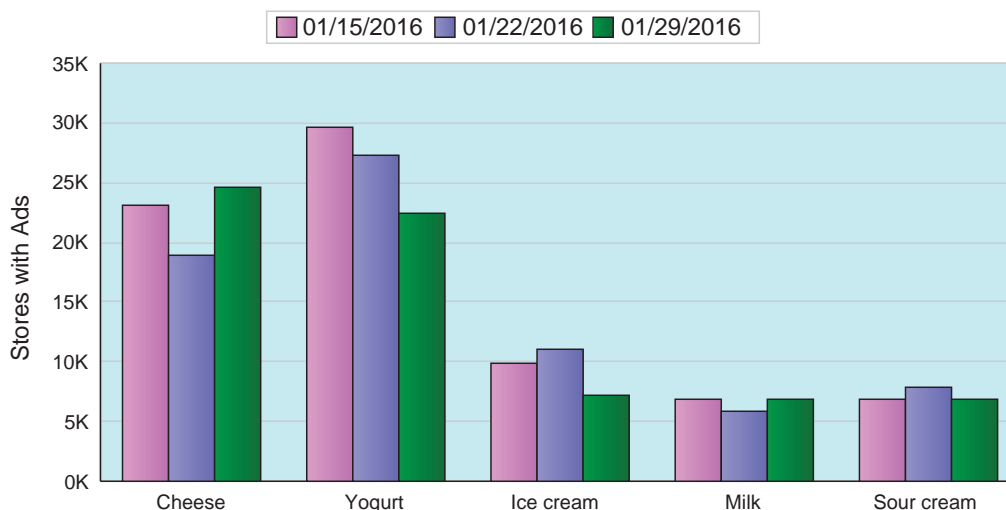
For conventional dairy advertisements, shredded cheese in 8 ounce packages had the largest volume of ads, followed by 4-6 ounce containers of Greek yogurt and 8 ounce blocks of cheese. Advertisements for half gallons of milk, unflavored and flavored, had the largest percentage increase, 525% and 520% respectively. Ads for 1# packages of butter increased 212%, with an average weighted price of \$2.92. The total volume of conventional dairy ads decreased 1%, and organic dairy ads decreased by 11% this week.

The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.20, down 13 cents from last week, and down 30 cents from a year ago; 8 ounce shred cheese averaged \$2.34, down 5 cents from last week, and 22 cents below one year ago. Organic 8 ounce blocks averaged \$3.36, while 8 ounce shred cheese averaged \$3.50. Advertisements for conventional cheese were up 32%, but organic cheese ads dropped 10% from last week.

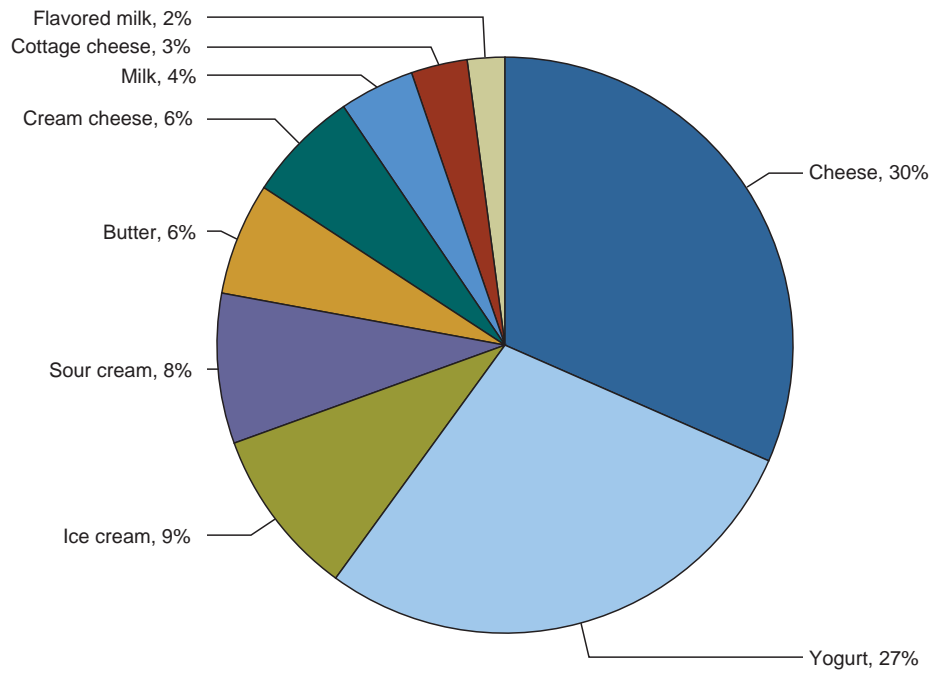
The average price for conventional yogurt in 4-6 ounce packages is \$.50, down 5 cents from last week, and down 2 cents from a year ago. The average price of 4-6 ounce conventional Greek yogurt is \$.92, down 5 cents from last week and 7 cents lower than a year ago. The average price of 4-6 ounce organic Greek yogurt was \$1.08. Conventional yogurt ad numbers decreased 15% from last week. Organic yogurt ads are down 55% from the previous week.

The price spread between organic and conventional half gallon milk is \$2.99. The price spread is the difference between national weighted average prices for organic, \$4.33, and conventional, \$1.34. Conventional milk ads increased by 25% from last week, while organic ads increased by 14%.

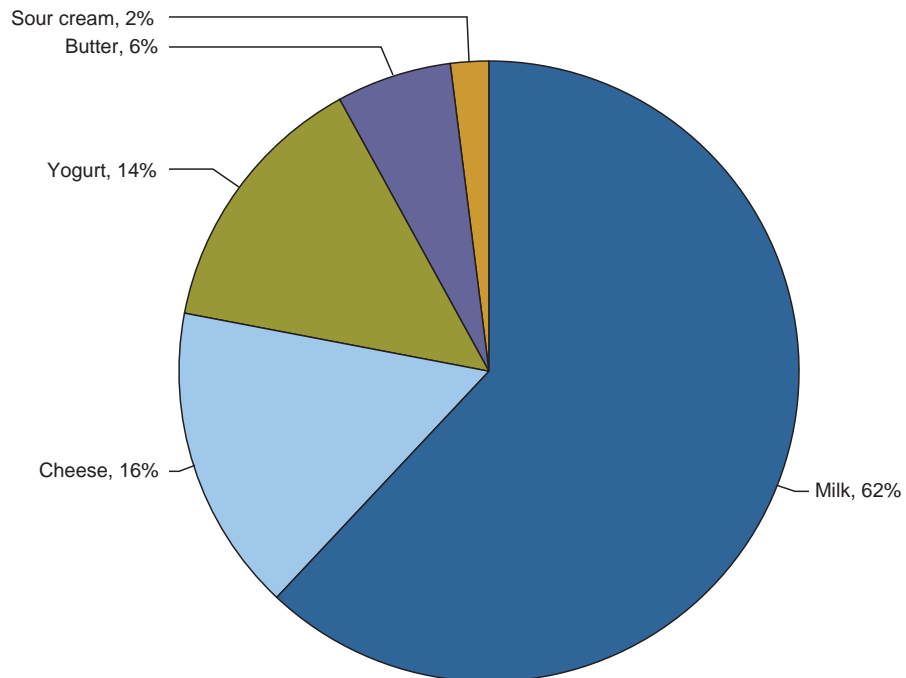
Top 5 Commodities Featured



Percentage of Total Conventional Ads by Commodity



Percentage of Total Organic Ads by Commodity





## NATIONAL -- CONVENTIONAL DAIRY PRODUCTS

Commodity	Type	Pack Size	THIS PERIOD		LAST WEEK		LAST YEAR	
			Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price
Butter		1 #	5003	2.92	1602	3.20	3673	3.32
Cheese	Natural Varieties	8 oz block	8782	2.20	8997	2.33	6858	2.50
Cheese	Natural Varieties	1 # block	932	4.67	662	3.69	1020	3.89
Cheese	Natural Varieties	2 # block	877	6.29	274	6.98	861	6.40
Cheese	Natural Varieties	8 oz shred	12839	2.34	7686	2.39	12435	2.56
Cheese	Natural Varieties	1 # shred	213	4.99	236	3.38	1874	4.08
Cottage cheese		16 oz	2761	1.93	5494	2.01	3212	1.96
Cream cheese		8 oz	4796	1.76	5349	1.94	8220	1.76
Flavored milk	All fat tests	half gallon	707	1.98	114	1.88	544	2.56
Flavored milk	All fat tests	gallon	611	2.22	175	3.29	238	3.25
Ice cream		48-64oz	7133	3.01	11084	3.08	13050	3.24
Milk	All fat tests	half gallon	1162	1.34	186	1.57	824	2.18
Milk	All fat tests	gallon	2026	2.25	2289	2.75	1484	3.40
Sour cream		16 oz	6691	1.55	7736	1.74	12577	1.78
Yogurt	Greek	4-6 oz	11371	.92	14261	.97	16418	.99
Yogurt	Greek	32 oz	1455	4.46	1104	3.88	1450	3.79
Yogurt	Yogurt	4-6 oz	7040	.50	7498	.55	3956	.52
Yogurt	Yogurt	32 oz	1624	2.45	2398	2.06	582	2.35

## REGIONAL -- CONVENTIONAL DAIRY PRODUCTS

Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	2.50-4.99	813	3.42	1.66-3.50	3034	2.62	2.50-2.98	314	2.62
Cheese	Natural Varieties	8 oz block	1.66-3.69	1760	2.44	1.99-3.00	2301	2.32	1.66-2.50	2421	2.02
Cheese	Natural Varieties	1 # block	3.99-6.99	354	5.02	3.99	214	3.99			
Cheese	Natural Varieties	8 oz shred	1.66-3.50	2619	2.56	1.99-2.50	3545	2.47	1.50-2.50	2546	2.06
Cheese	Natural Varieties	1 # shred							4.99	213	4.99
Cottage cheese		16 oz	1.99-3.00	669	2.47				1.25-2.29	715	1.54
Cream cheese		8 oz	1.49-2.00	426	1.63	1.88-2.30	919	2.05	1.00-2.00	1252	1.60
Flavored milk	All fat tests	half gallon	2.99	221	2.99				0.99-1.99	486	1.52
Flavored milk	All fat tests	gallon	3.99	62	3.99						
Ice cream		48-64oz	1.79-3.50	1924	2.91	2.50-3.00	1123	2.97	2.50-3.99	1374	3.19
Milk	All fat tests	half gallon				1.00	184	1.00	0.99-1.59	574	1.25
Milk	All fat tests	gallon	1.99-3.00	452	2.28	2.69	227	2.69	1.88	81	1.88
Sour cream		16 oz	1.49-2.00	1803	1.64	1.50-1.66	1216	1.53	1.25-1.99	964	1.52
Yogurt	Greek	4-6 oz	0.70-1.20	2987	.99	0.75-1.00	3189	.90	0.69-1.00	1908	.86
Yogurt	Greek	32 oz	4.29-4.99	419	4.59	4.29	61	4.29	3.69	588	3.69
Yogurt	Yogurt	4-6 oz	0.39-0.60	2155	.49	0.50-0.60	1629	.50	0.40-0.50	961	.49
Yogurt	Yogurt	32 oz	2.50-2.77	387	2.54				1.88-4.99	1100	2.41

Wtd Avg - Simple weighted average



Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	2.99-3.99	341	3.39	3.88	107	3.88	2.99-3.99	394	3.72
Cheese	Natural Varieties	8 oz block	1.79-2.50	881	2.09	1.88-2.50	1089	2.05	1.88-2.50	330	2.27
Cheese	Natural Varieties	1 # block	4.49	57	4.49	3.99-4.99	307	4.78			
Cheese	Natural Varieties	2 # block				5.99-8.99	257	7.94	5.00-6.99	620	5.60
Cheese	Natural Varieties	8 oz shred	1.66-2.50	1264	2.09	1.79-2.99	2141	2.24	1.88-2.99	724	2.59
Cottage cheese		16 oz	1.50	114	1.50	1.50-2.49	1023	1.93	1.25-2.00	240	1.79
Cream cheese		8 oz	1.50-2.00	605	1.89	1.49-1.99	927	1.69	1.49-2.00	667	1.72
Flavored milk	All fat tests	gallon	1.99-2.19	429	2.03	1.99	120	1.99			
Ice cream		48-64oz	2.50-3.99	859	3.03	1.99-3.50	1432	3.11	2.49-2.99	421	2.62
Milk	All fat tests	half gallon	1.38-1.99	148	1.69				1.00-2.69	256	1.58
Milk	All fat tests	gallon	1.99-2.99	683	2.21	1.99-2.49	514	2.23	1.77	69	1.77
Sour cream		16 oz	1.00-1.69	765	1.38	0.99-2.49	1309	1.64	1.00-2.00	634	1.43
Yogurt	Greek	4-6 oz	0.69-1.00	1508	.86	0.87-1.20	1090	.96	0.99-1.00	689	1.00
Yogurt	Greek	32 oz	4.49	82	4.49	5.99	244	5.99	4.99	61	4.99
Yogurt	Yogurt	4-6 oz	0.50-0.66	620	.52	0.48-0.60	1125	.53	0.37-0.50	550	.43
Yogurt	Yogurt	32 oz				2.49	137	2.49			

Commodity	Type	Pack Size	ALASKA U.S.			HAWAII U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price

## NATIONAL -- ORGANIC DAIRY PRODUCTS

Commodity	Type	Pack Size	THIS PERIOD		LAST WEEK		LAST YEAR	
			Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price
Butter		1 #	391	5.61	288	5.21	274	3.99
Cheese	Natural Varieties	8 oz block	403	3.36	532	3.95		
Cheese	Natural Varieties	8 oz shred	559	3.50	532	3.82		
Cottage cheese		16 oz			119	3.00		
Milk	All fat tests	half gallon	2307	4.33	1480	3.65	137	3.99
Milk	All fat tests	gallon	448	5.69	189	6.99		
Milk	All fat tests	8 oz UHT	1002	.98	1629	.96	1946	1.00
Sour cream		16 oz	114	1.99	114	1.99		
Yogurt	Greek	4-6 oz	816	1.08	1732	1.05	1279	1.21
Yogurt	Greek	32 oz					153	6.17

Wtd Avg - Simple weighted average



Yogurt	Yogurt	4-6 oz			3	1.50		
Yogurt	Yogurt	32 oz	61	4.79	221	3.99	884	3.92

## REGIONAL -- ORGANIC DAIRY PRODUCTS

Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	4.99	108	4.99						
Milk	All fat tests	half gallon	3.99-5.29	557	4.73				2.95	588	2.95
Milk	All fat tests	gallon							5.29	343	5.29
Milk	All fat tests	8 oz UHT				1.00	184	1.00			
Yogurt	Greek	4-6 oz	1.25-1.33	221	1.30				1.00	595	1.00

Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #				5.99	178	5.99	5.59	105	5.59
Cheese	Natural Varieties	8 oz block	2.99	114	2.99				3.50	289	3.50
Cheese	Natural Varieties	8 oz shred	2.99	276	2.99	3.99	178	3.99	3.99	105	3.99
Milk	All fat tests	half gallon	3.49-5.29	401	4.56	4.49-5.29	701	4.95	5.29	60	5.29
Milk	All fat tests	gallon							6.99	105	6.99
Milk	All fat tests	8 oz UHT	0.92-1.00	156	.96	1.00	419	1.00	0.75-1.00	243	.93
Sour cream		16 oz	1.99	114	1.99						
Yogurt	Yogurt	32 oz							4.79	61	4.79

Commodity	Type	Pack Size	ALASKA U.S.			HAWAII U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price

## REGIONAL DEFINITIONS

As used in this report, regions include the following states:

NORTHEAST U.S.	Connecticut, Delaware, Massachusetts, Maryland, Maine, New Hampshire, New jersey, New York, Pennsylvania, Rhode Island and Vermont
SOUTHEAST U.S.	Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, Tennessee, Virginia and West Virginia
MIDWEST U.S.	Iowa, Illinois, Indiana, Kentucky, Michigan, Minnesota, North Dakota, Nebraska, Ohio, South Dakota and Wisconsin
SOUTH CENTRAL U.S.	Arkansas, Colorado, Kansas, Louisiana, Missouri, New Mexico, Oklahoma, and Texas
SOUTHWEST U.S.	Arizona, California, Nevada and Utah
NORTHWEST U.S.	Idaho, Montana, Oregon, Washington, and Wyoming
ALASKA	Alaska
HAWAII	Hawaii
NATIONAL	Continental United States

Wtd Avg - Simple weighted average



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